

— THE —
CHANGE REPORT

2022

*A Study of the Attitudes,
Perceptions, and Impact
of Workplace Change*



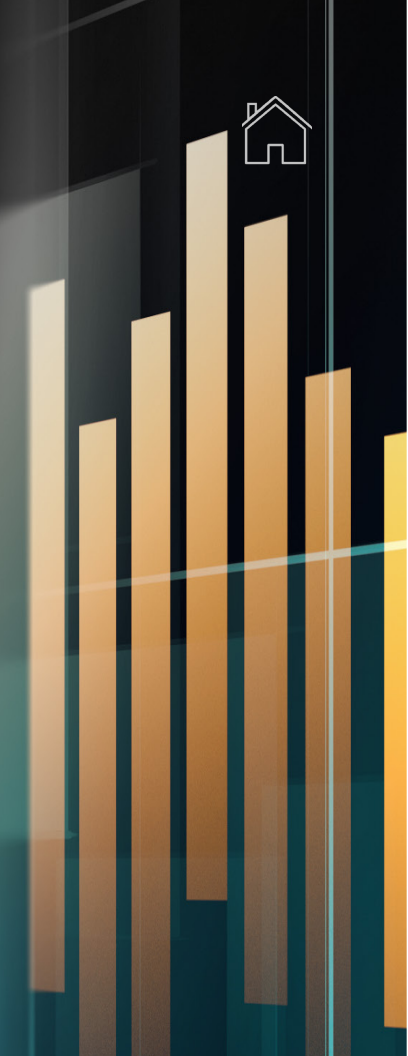
THE CHANGE REPORT 2022

NOTION CONSULTING surveyed 325 U.S. professionals in Q3 2022 – from front-line staff to C-Suite executives – about their experience with change in the workplace.

CONTENTS

This report summarizes what we heard, what it means, and what leaders can do to make the next organizational change experience positive, successful, and sustainable.

| | |
|--|-----------|
| OVERALL INSIGHTS | 3 |
| FINDINGS | |
| VOLUMES & VARIETIES OF CHANGE | 4 |
| REACTIONS TO CHANGE | 6 |
| PERFORMANCE MEASURES | 8 |
| BEST PRACTICES FOR MANAGING CHANGE .. | 10 |
| ADVICE FOR THE CEO. | 12 |
| LEADERSHIP DURING CHANGE | 14 |
| WHAT'S NEXT | 16 |
| ABOUT THE SURVEY | 18 |



Five overall insights emerged from the study. There were a number of more specific findings, which are reported on the following pages.



OVERALL INSIGHTS

IT'S TOUGH LEADING PEOPLE WHEN CHANGE IS CONSTANT.

While change is necessary and often exhilarating, a constant swirl can impact the employee experience for the short- and long-term.

ATTITUDES VARY DRAMATICALLY BASED ON WHERE PEOPLE SIT.

Leaders are overwhelmingly optimistic about the journey and the outcomes of change; employees and people managers are more hesitant and skeptical.

THE C-SUITE IS OUT OF SYNC WITH THE REST OF THE ORGANIZATION.

The C-Suite tends to view change through rose-colored glasses.

SUCCESSFUL CHANGE NEEDS MORE HUMAN CONNECTION AND EMPATHY.

Employees do not feel heard, valued, or appreciated for their role in bringing the change to life.

MANAGING CHANGE MATTERS — AND HOW IT'S DONE CAN IMPACT RESULTS.

Organizations that follow best practices for managing change have better outcomes such as positive employee perception, optimal financial and operational measures, and higher talent retention and engagement.



VOLUME & VARIETIES OF CHANGE

Organizational change is moving at a pace faster than ever.

Organizations that want to remain relevant and successful must evolve. Large-scale change is necessary to remain competitive, sustainable, and successful.

But change is also hard to manage effectively and unlikely accomplished without pulling the rug out from an employee's day-to-day experience.

“Focus and prioritize! Doing too much without clear planning and communication feels chaotic.”

–Senior Leader, Financial Services



A TIDAL WAVE OF CHANGE



of the workforce experienced **3 OR MORE** major changes in the last twelve months
10% ENDURED 10 OR MORE CHANGES.

A VARIETY OF MAJOR CHANGES

65%

have a new leader or manager

65%

changed processes or procedures

50%

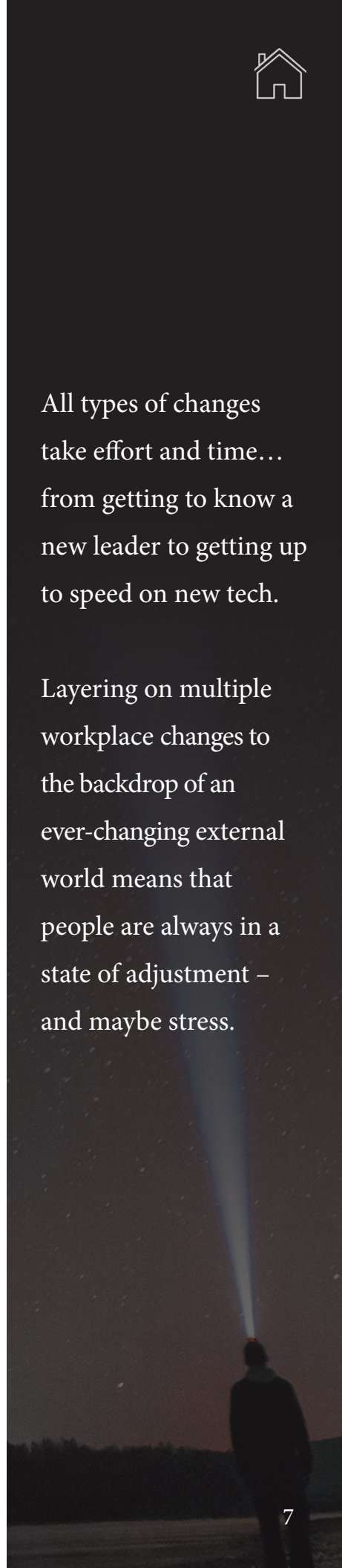
use new tech systems

>25%

have a new culture, team, product, market, merger, workplace, reorganization, or layoff

All types of changes take effort and time... from getting to know a new leader to getting up to speed on new tech.

Layering on multiple workplace changes to the backdrop of an ever-changing external world means that people are always in a state of adjustment – and maybe stress.





REACTIONS TO CHANGE

Adapting to change requires commitment – both emotional and intellectual. But not all individuals in a workplace feel the same way.

When they hear that change is coming, people respond with different attitudes, emotions, and levels of commitment.

“We do a good job.”

–C-Suite Executive, Manufacturing



COMMON REACTIONS TO CHANGE

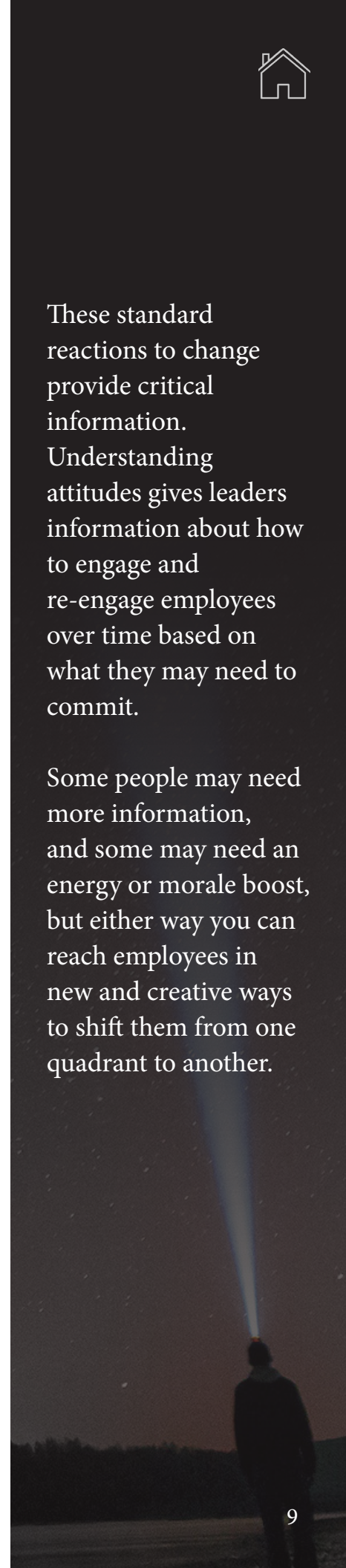
Employee reactions to change can be mapped to a 2x2 matrix, based on their emotional and intellectual engagement. In the model below, we identify four potential reactions to change and how employees we surveyed are feeling about change today, showing that Skeptics are leading the way.



These standard reactions to change provide critical information. Understanding attitudes gives leaders information about how to engage and re-engage employees over time based on what they may need to commit.

Some people may need more information, and some may need an energy or morale boost, but either way you can reach employees in new and creative ways to shift them from one quadrant to another.

While a steady state of change can be exhilarating for leaders, employees can find it exhausting and overwhelming – leading them to be less engaged in the change.





PERFORMANCE METRICS

Instituting change in complex organizations can be difficult – and many don't succeed.

Organizations are remiss if they fail to measure the impact of change – and often repeat these mistakes with every change effort.

“Don't underestimate how much change impacts the team and that employees today won't just grin and bear it.”

–Individual Contributor, Human Resources



MEASURING SUCCESS

We uncovered three key metrics to demonstrate the success or failure for change in 2022.

1 EMPLOYEE PERCEPTION

How do employees perceive the organization's success with change?



People who give their organizations an A for their overall change efforts say the company did well on financial, operational, and talent indicators – with a rating of 4.2 out of 5.

2 MEETING BUSINESS OBJECTIVES

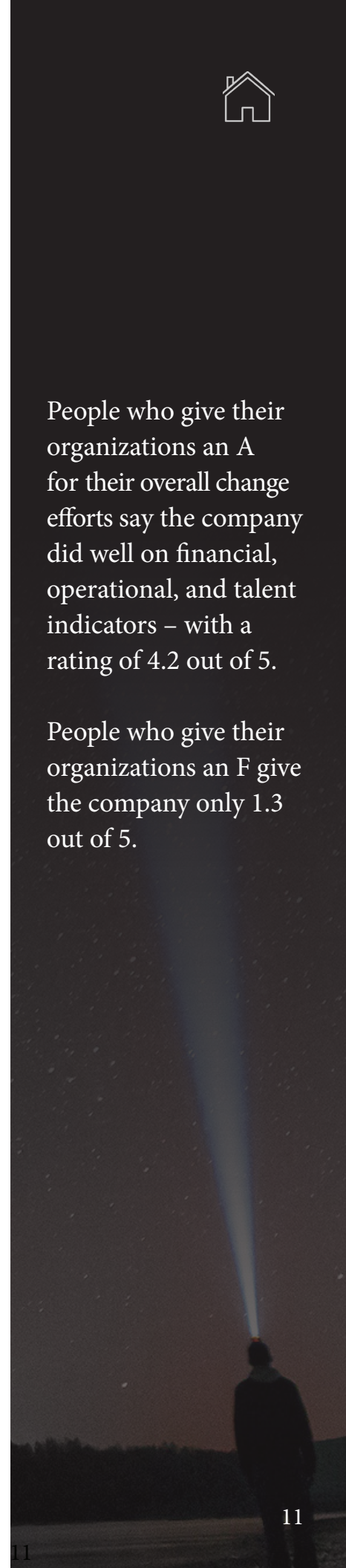
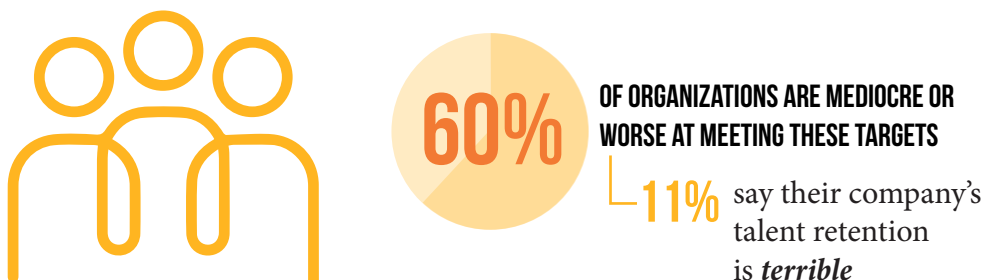
How well does the organization deliver against financial, schedule, and customer objectives during a change?



People who give their organizations an F give the company only 1.3 out of 5.

3 RETAINING AND ENGAGING EMPLOYEES

How well does the organization retain key talent and engage employees during a change?





BEST PRACTICES FOR MANAGING CHANGE

How an organization performs in times of change can be determined by how they do against a set of best practices before, during, and after the change.

“They are great at letting the organization know what’s changing, providing training, and asking for feedback.”

–People Manager, Health Care



WHAT MAKES OR BREAKS A CHANGE

Organizations that deliver these activities can boost the success of the change and improve the experience for employees.

BEST PRACTICES FOR MANAGING CHANGE



Organizations that do well on these practices for successfully managing change also did well on the performance metrics (financial, operational, and talent indicators). The inverse is also the case for those who do not do well.

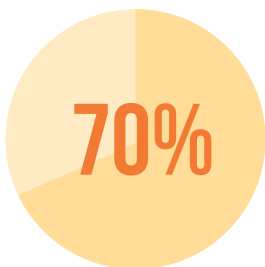
Paying attention to these activities can boost success and improve the experience for employees.

THE GREAT DIVIDE



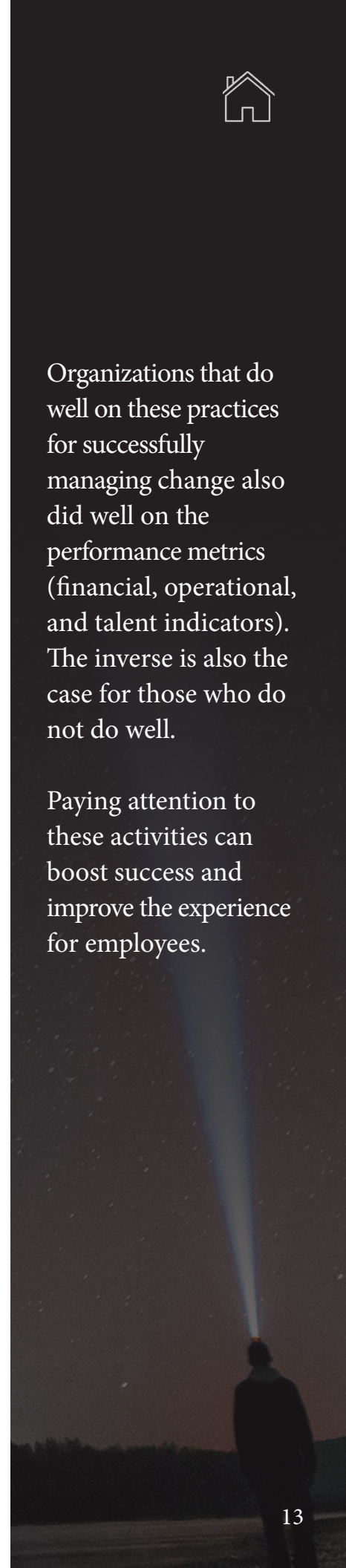
OF EMPLOYEES THINK THEIR ORGANIZATION IS MEDIOCRE OR WORSE IN THESE AREAS

14% say their organization does a *terrible* job asking for feedback during changes



OF C-SUITE EXECUTIVES SAY THEIR ORGANIZATIONS DO EXTREMELY WELL OR PRETTY WELL IN THESE AREAS

38% of the rest of their organizations agree





LEADERSHIP DURING CHANGE

The executives in the C-Suite paint a rosy picture of change in the workplace.

The rest of their organizations? Not so much.

“Please stop always painting such a rosy picture– the messages are dripping in syrupy sweetness and positivity, even the bad news. I would appreciate a straightforward communication of the issue, how it affects employees, and what you’re going to do about it.”

–Individual Contributor, Healthcare



ROSE-COLORED LEADERSHIP



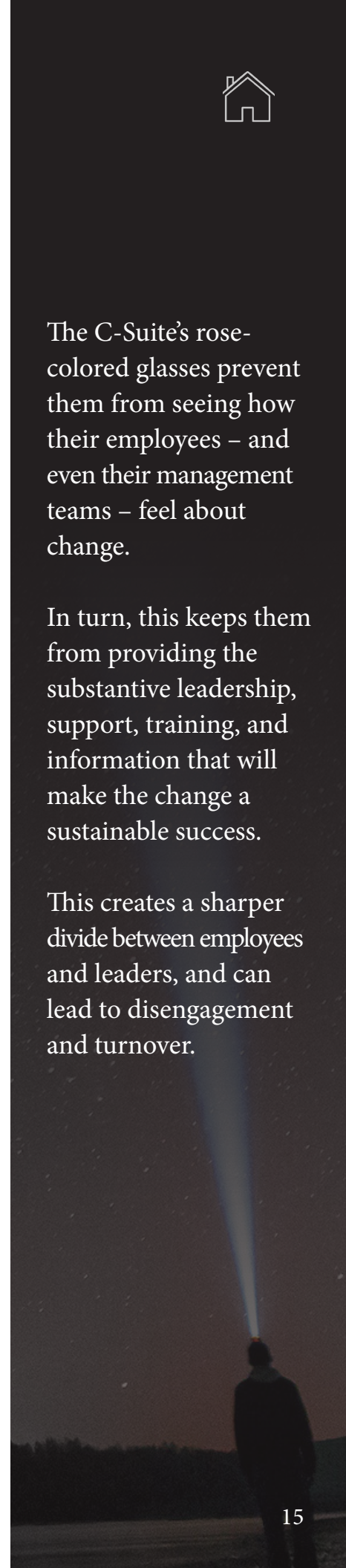
Overly optimistic leaders may view change through an unrealistic lens, not seeing the realities of a situation for employees at different levels.



The C-Suite's rose-colored glasses prevent them from seeing how their employees – and even their management teams – feel about change.

In turn, this keeps them from providing the substantive leadership, support, training, and information that will make the change a sustainable success.

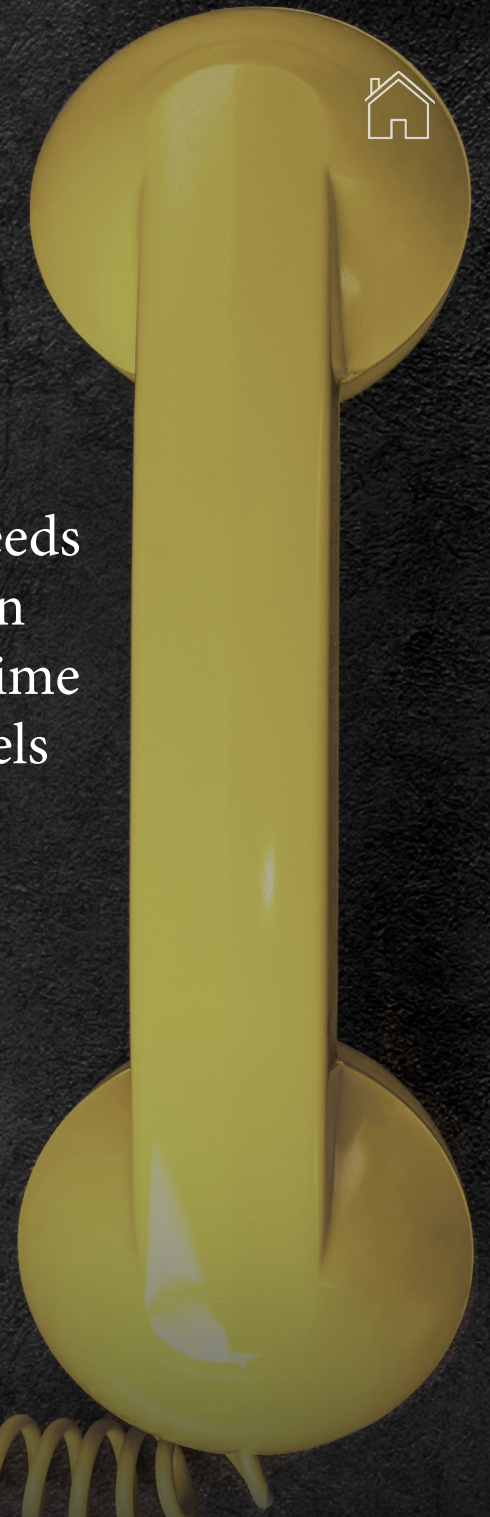
This creates a sharper divide between employees and leaders, and can lead to disengagement and turnover.





ADVICE FOR THE CEO

Employees are outspoken about what needs to change about managing change. Given the chance to give their CEO advice in time for the next change, employees at all levels share advice.



“Making your employees happy by paying them well and making them feel valued, is just as important as making sure your customers are happy.”

–People Manager, Sales



WHAT EMPLOYEES WANT

When asked what their organizations do best and do worst in times of change, one theme rose to the top of both lists: Leadership.

TRANSPARENCY

Letting employees know what's going on and why – honestly, clearly, and frequently.

RESPECT

Demonstrating concern for employee wellbeing and expressing gratitude for their flexibility around change.

LEADERSHIP IS NEEDED IN THREE KEY AREAS

LISTENING

Inviting ideas and opinions – and remaining open to different viewpoints.

IN THEIR WORDS...

*“Think of the employees as humans first. Meet their needs.”
–People Manager, Education*

“Take employee feedback more seriously.” –Senior Leader, Sales

“They could work on being completely transparent and communicating with clarity.” –People Manager, Health Care

“Continue to think about employees’ physical and mental well being during these tough economic times.” –Individual Contributor, General Business

People want change to work.

33% of employees across all levels who give their organizations As and Bs for the overall change credit leadership as a key reason for the success.



WHAT'S NEXT

Change is about people – their experiences, their behaviors, and their mindsets.

Leaders who understand this, who take the time to be curious, open-minded, and empathetic, will reap the benefits.

Those who don't could lose key talent and customers, and ultimately damage their bottom line.

It's a delicate but very meaningful balance.



OUR NOTION ABOUT CHANGE



Key steps to drive successful change



Leaders often lead with blind optimism as they embark on change, but it doesn't fare well for them -- or the change. Don't ignore what people are experiencing. Ignorance is a pathway to increased dissent and resistance. This is a raw truth for leaders to understand. And a secret to their future success.

Connect with employees and acknowledge their basic human challenges. Understand the day-to-day impacts that they experience. Provide opportunities for leader/employee connection – to build relationships, give people a voice, and develop trust.



Determine what skills, resources, and training will be needed for all levels to be successful. Do not assume employee with “figure it out” or understand what's expected without guidance. Employees may feel discouraged and turn against the change, making them unable to adopt the behaviors leaders want to see.

With any change, assume employees will need to think in new ways. Tell a compelling story about the change that appeals to both the heads and hearts of employees. But do not assume a natural followership. Expect resistance and be prepared for it with deliberate communication.



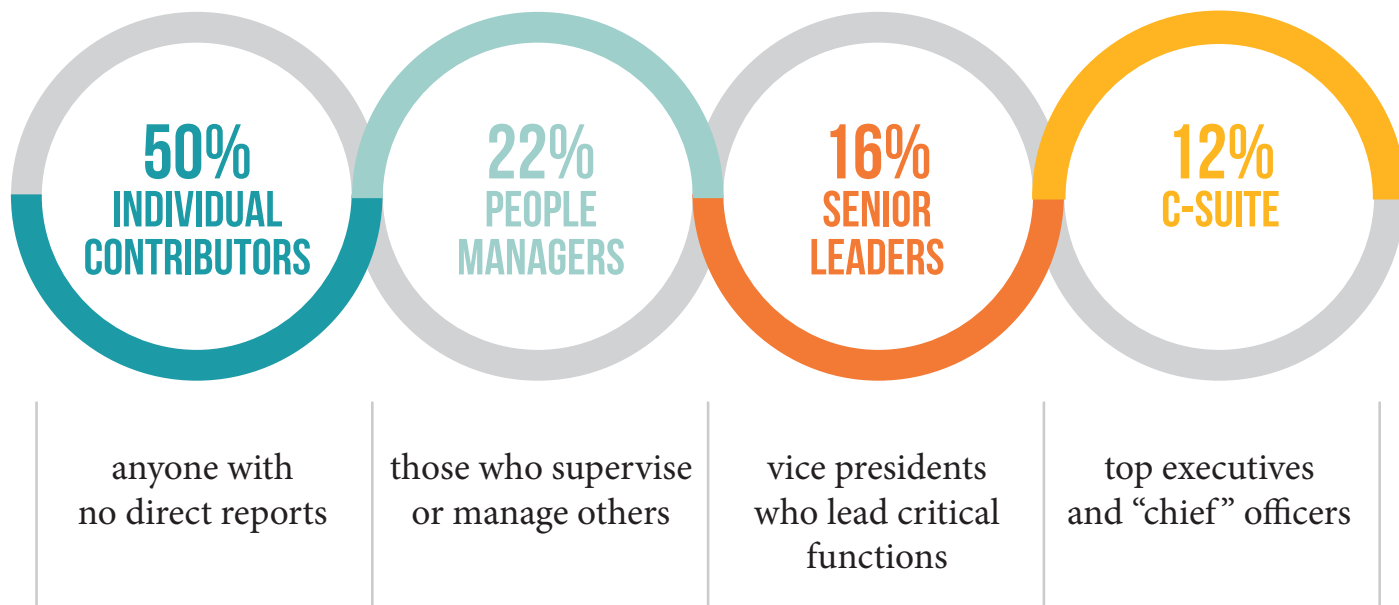
Share what's happening with real-time updates across the organization to build momentum. Provide clear metrics and status updates – share how are you doing on time, budget, and customer retention. Reinforce what's working through rewards – which also reinforces the organization's commitment to the change.



ABOUT THE SURVEY



RESPONDENTS





NOTION CONSULTING is a leadership and transformation consultancy that helps organizations harness the full power of their people to drive change, advance their mission, and unleash their competitive edge.



CHRISTINE ANDRUKONIS
Founder & Senior Partner

Christine brings more than 20 years of human resources and communications expertise to help C-Suite executives lead change: activating their teams to shift strategy and structure, establishing new business models and capabilities, enhancing processes and technology, and strengthening talent and culture. Prior to founding Notion Consulting, Christine held numerous leadership positions, including regional director for a change-focused consulting firm. She has worked with global companies across multiple industries – from financial services and pharmaceuticals to top beauty brands and national sports leagues.

Christine holds a master's degree in organizational development from American University and a bachelor's degree in management from Penn State. She has been a guest lecturer at Barnard College and The New School, and serves as adjunct faculty at Cornell University.



DIANA VIENNE
Co-Founder & Senior Partner

Diana has more than two decades of business transformation experience in the areas of HR strategy, organizational development, change management and human capital consulting that has helped leaders to accelerate change in their organizations in a real and tangible way. Her internal and external change management experience allows her to bring a 360-degree perspective to her clients.

As part of her consulting and leadership experience in human capital and strategic change, Diana has worked with executive leaders to tackle global initiatives that address strategic realignment, mergers, acquisitions, divestitures, talent management, and large-scale technology implementations.

Diana earned a master's degree in business education and organizational effectiveness from New York University and a bachelor's degree in economics and international studies from Siena College. She also holds a certificate in Strategic Human Resource Management from the University of Michigan Business School. She is a frequent contributor to many leadership publications and websites.



Effective change management is about creating a true and authentic sense of equity, inclusion and belonging for everyone.

Our survey respondents represent diverse ages, races, genders and U.S. geographies.



For more information on keeping your employees informed, engaged, and connected, especially during times of change, contact Notion Consulting at hello@notionconsulting.com.





notion

consulting

notionconsulting.com

 [@Notionconsult](https://twitter.com/Notionconsult)

 [company/notion-consulting/](https://www.linkedin.com/company/notion-consulting/)

This document is the sole property of Notion Consulting LLC, and therefore may not be reproduced or disseminated without prior written consent.