

Co-Creating Change in Public Service with Lean Change Management Practices



 Lean and Continuous Improvement Office
Ontario Cabinet Office



Facilitators



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Land Acknowledgment

I want to acknowledge that we are all on lands traditionally occupied by Indigenous peoples.

They continue to care for this land, they continue to shape North America today – and I want to show my respect.

Hundreds of years after the first treaties were signed, they are still relevant today.



Learning Goals



Understand

Defining Lean Change Management (LCM), the four stages in an LCM change cycle, and the role of a change agent.



Apply

See an example of how Lean Change Management techniques would be used in a team setting.



Call to Action

Set up a meeting to align diverse stakeholders to gather insights, generate options and set up experiments



UNDERSTANDING LEAN CHANGE MANAGEMENT



What is Lean Change Management?

Streamlined approach that applies lean principles to efficiently:

- implement organizational changes,
- optimize processes, and
- achieve desired outcomes.

Lean Change Management is:

- Feedback-driven
- Iterative and incremental
- Adaptable to any organization or team
- Bottom (frontline) up

What is Lean Change Management

- Policies and procedures
- Organizational changes
- Legislation changes
- Customer/client satisfaction

What is Traditional Change Management?

Traditional change management involves a structured approach to:

- plan
- implement and
- manage organizational changes.

Traditional Change Management is

- Structured and plan-driven
- Linear and phased
- Standardized for broad application
- Top-down



Where Can Traditional Change Management Be Applied?

- Business process changes
- Strategic shifts
- Technology implementation
- Cultural transformations

Welcome to the Transformation Age!

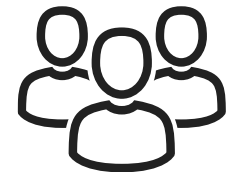


A lean change agent helps organizations or teams drive change and progress by improving processes, reducing waste, increasing efficiency, and getting stakeholder buy-in.

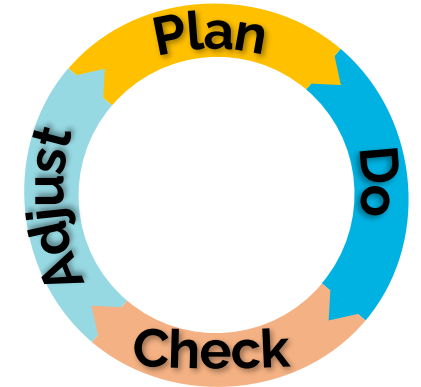
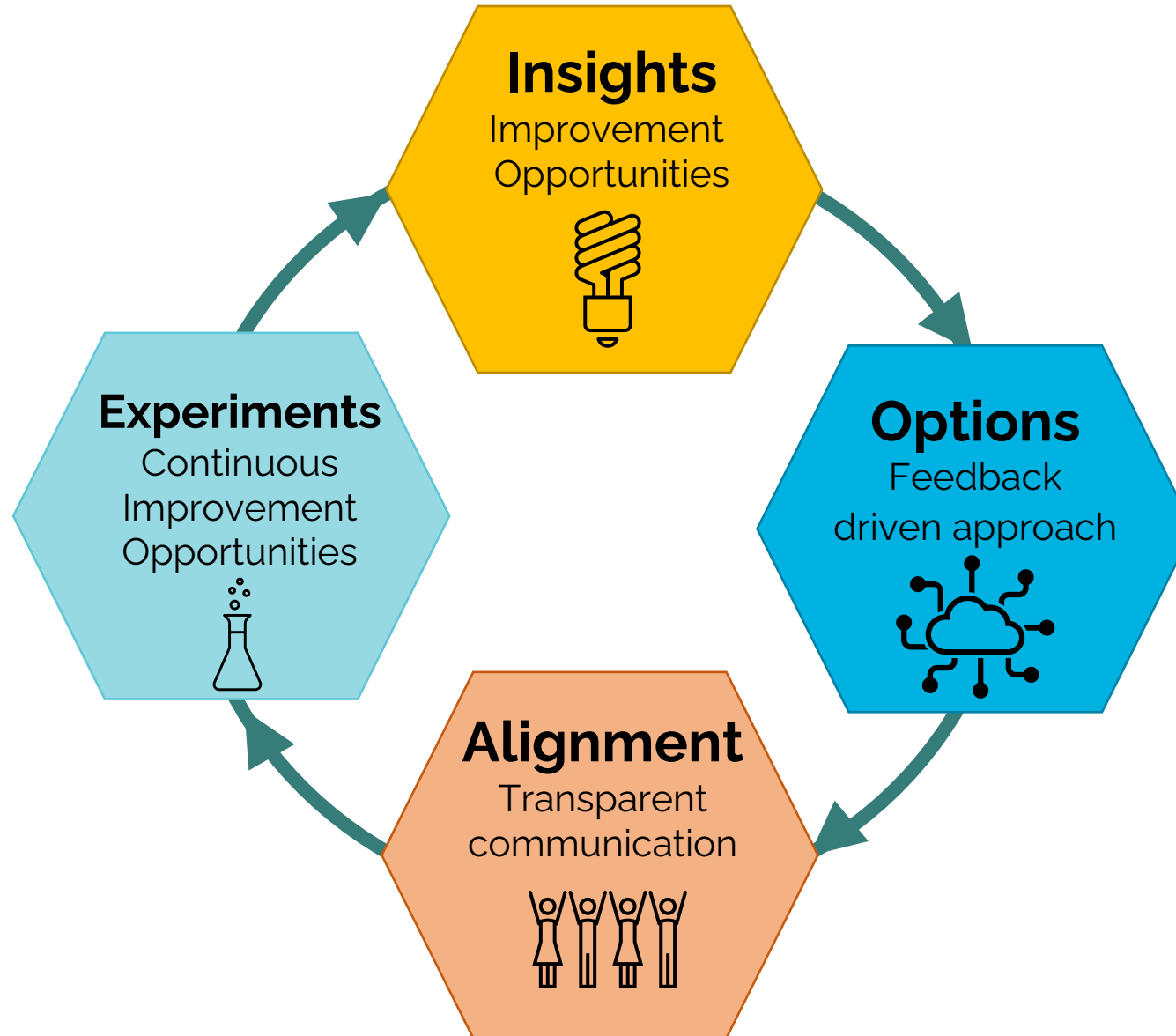
They help create a culture of continuous improvement by encouraging feedback and collaboration among team members.

“Learning and innovation go hand in hand.
The arrogance of success is to think that what you did
yesterday will be sufficient for tomorrow.”

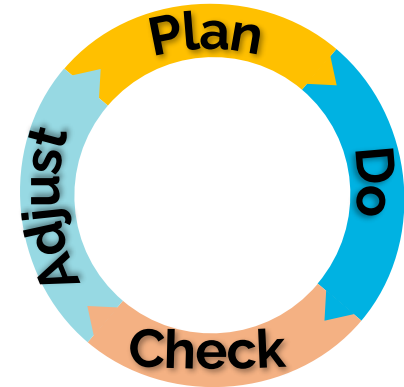
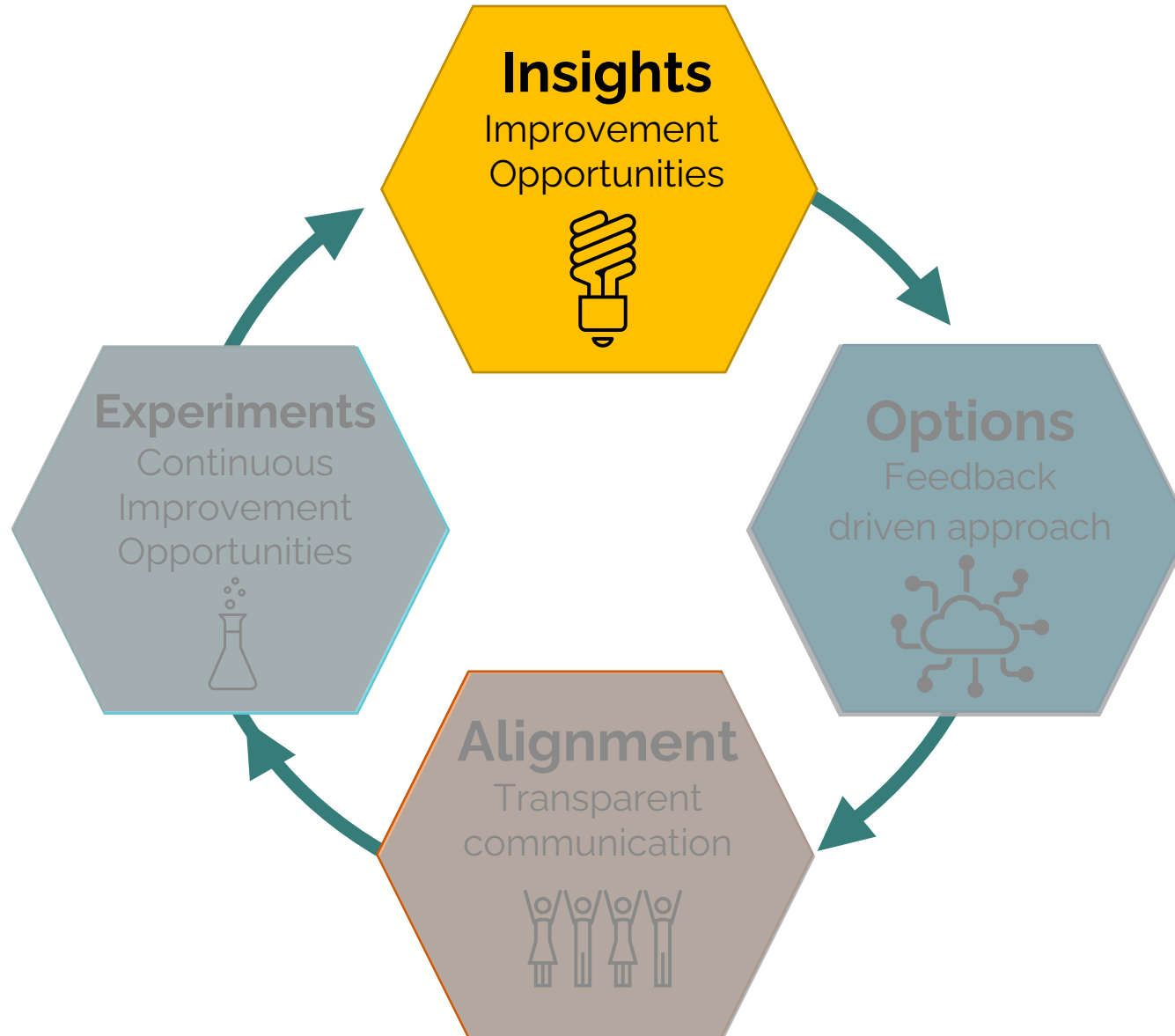
- William Pollard



The 4 Continuous Steps of the LCM Cycle



So, how do we apply **lean change management**?



Let's begin with Insights, what are they?



What?

Insights help organizations identify opportunities for improvement and make informed decisions about how changes can be implemented.

How?

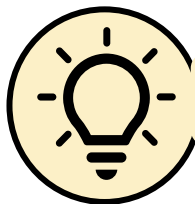
Insights are often generated through collaborative activities such as workshops and focus groups.

Understanding your Insights



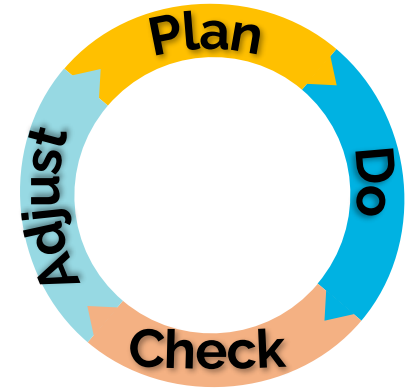
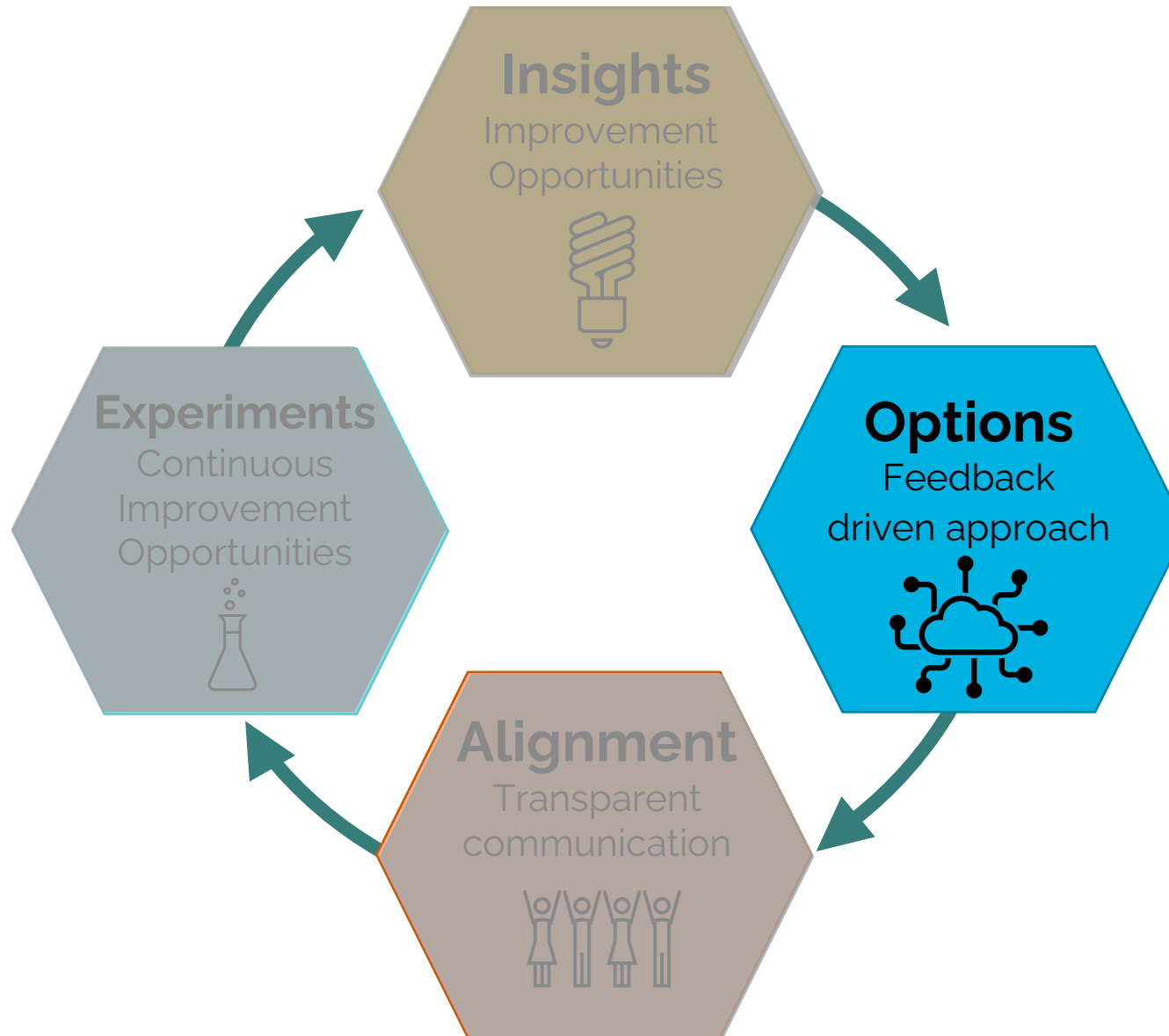
Ask yourself...

- What organizational norms exist?
- What do you need to know before experimenting?
- What change approach would work best?
- What is the organization's natural pace of change?



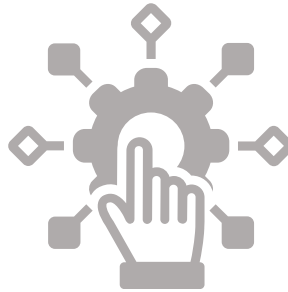
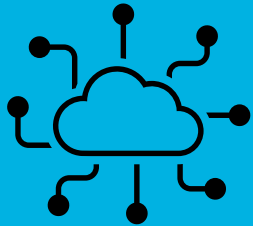
Examples: Surveys, meetings, interviews, observations

Options



What are Options and how are they generated?

Options



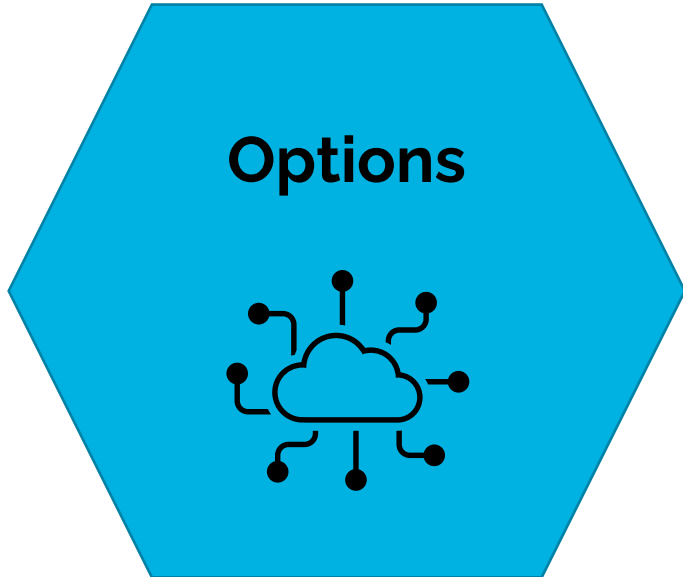
What?

Options represent insightful solutions or strategies that have been meticulously evaluated and scrutinized based on their potential cost and corresponding value.

How?

To transform insights into viable options, the team engages in a strategic process that identifies and prioritizes those insights that yield high value while incurring minimal costs.

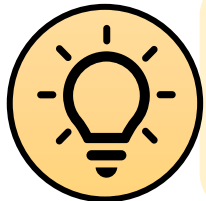
Understanding Options:



In Lean Change Management...

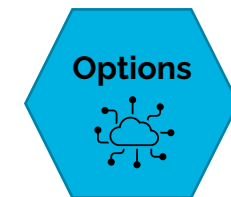
Options are designed to help people take an action:

- What could we do?
- What tradeoffs will we make?
- What are we not going to change?

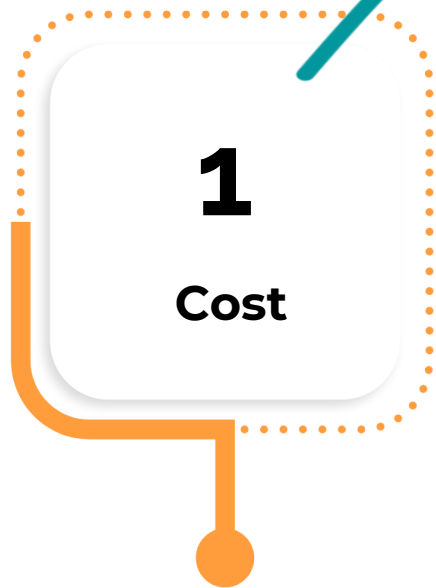


Hint: If your conversations about options generate many "***That won't work here because ...***" statements, dig deeper into the reasons why you think it won't work.

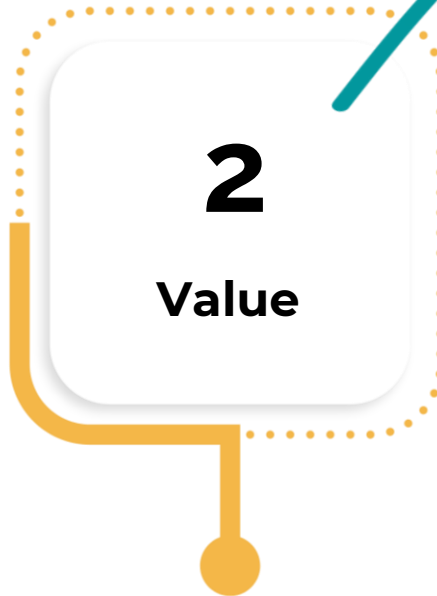
Understand the potential impact of your option:



Factors to consider



What's the effort or investment needed?



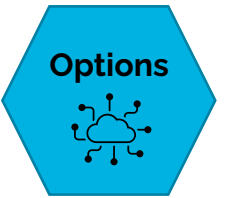
What's the benefit? Does it outweigh the cost?



How disruptive would this idea be in the organization?

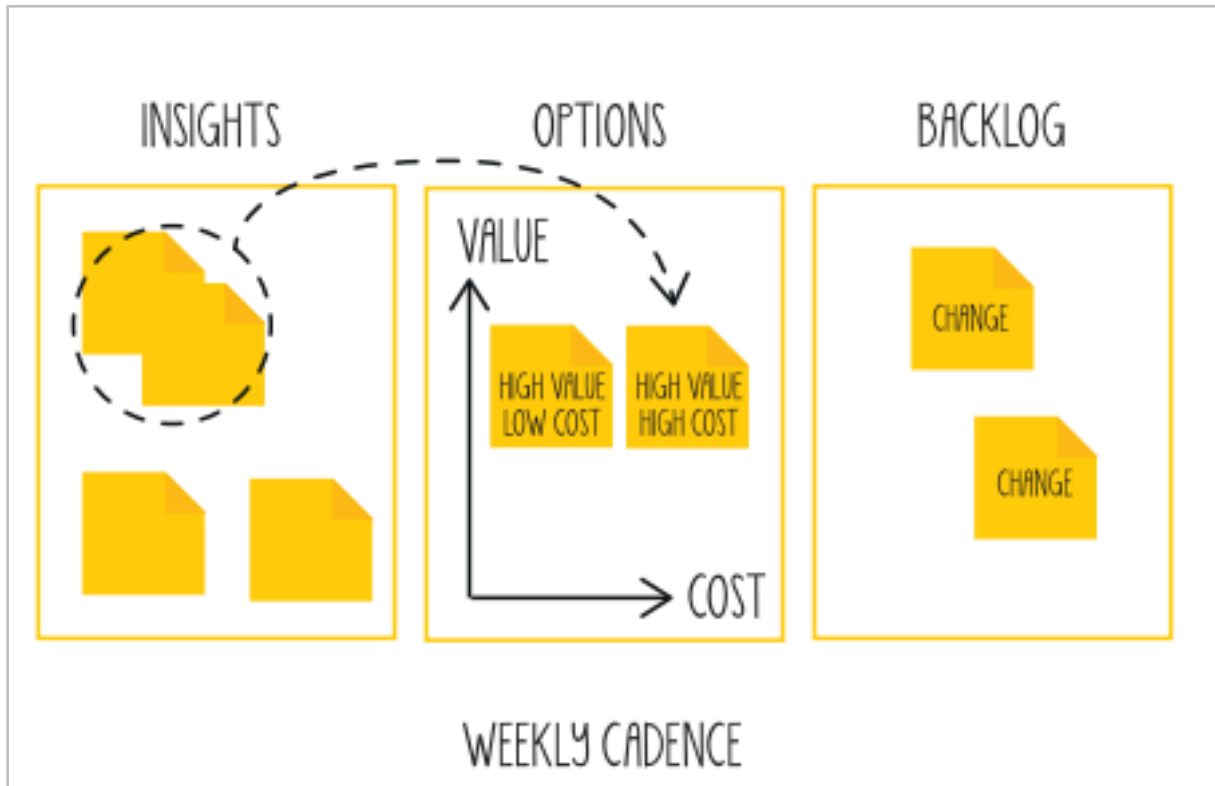
Three major factors to consider when assessing your option

All Options have a cost



The **cost** of an option is mostly related to the **effort** needed to execute that option

Assessing Options



Cost Factors

Time spent working on the change:

Changes need to be planned, people in the organization need to be aligned with the change and that takes time.

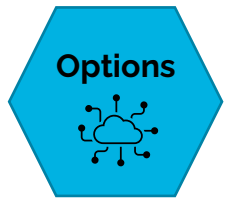
Developing new capabilities:

Includes hard costs such as training courses or hiring coaches to work with employees.

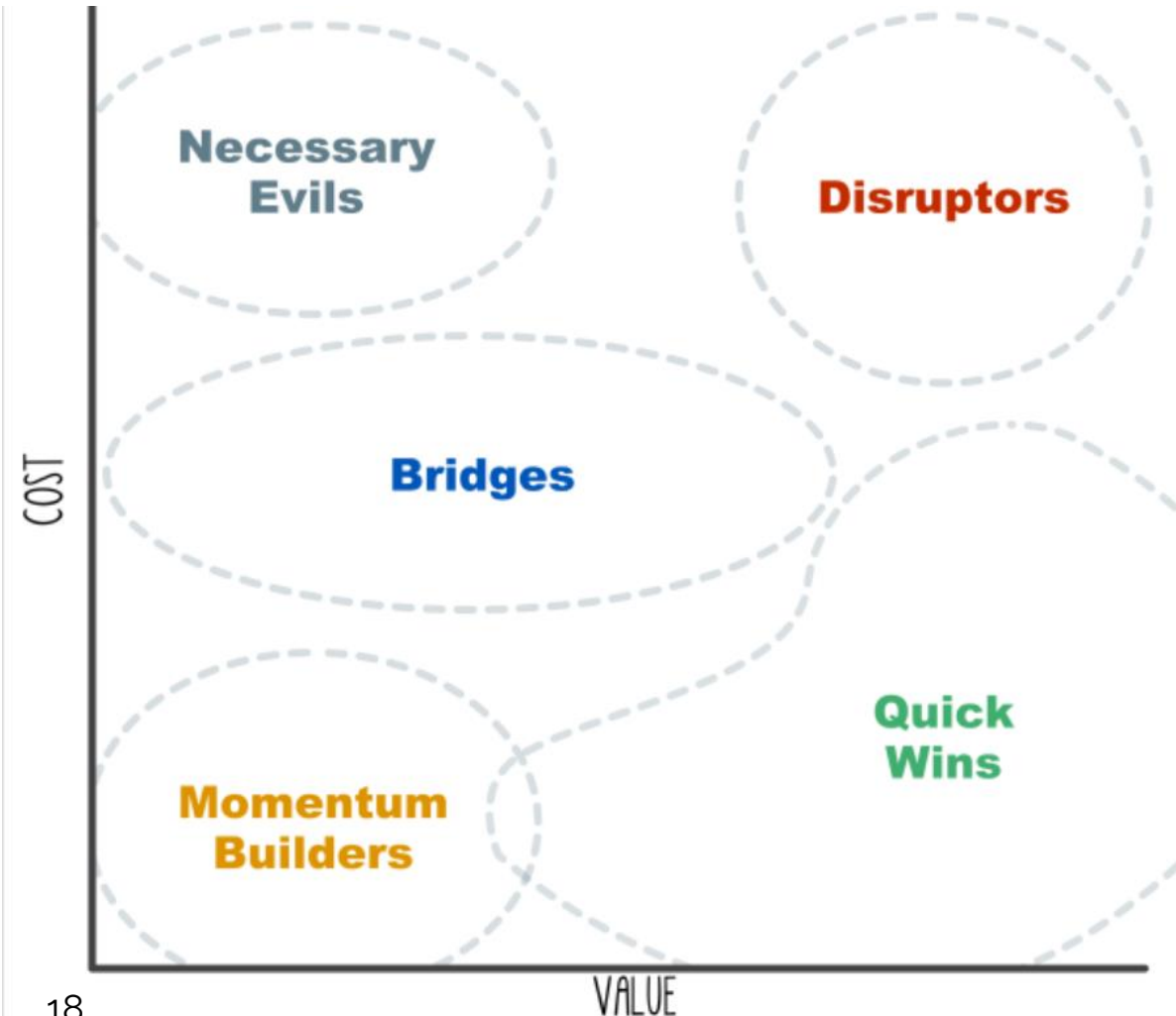
Productivity drop:

People need time to practice their newly developed skills.

How to assess all your potential options



Cost vs. Value



Options may become **Experiments**. Quickly plot improvement Options on a Cost vs Value matrix to categorize them.

Cost:

- How many people are affected?
- How hard would this option be?
- Are there hard costs? (e.g., Buying a tool)

Value:

- How aligned is his Option with our overall change?
- Low value isn't necessarily a bad thing.

Momentum Builders: Low cost, Low value Options may contribute to helping people care about the change which helps with alignment. These are easy to execute but have little tangible outcome.

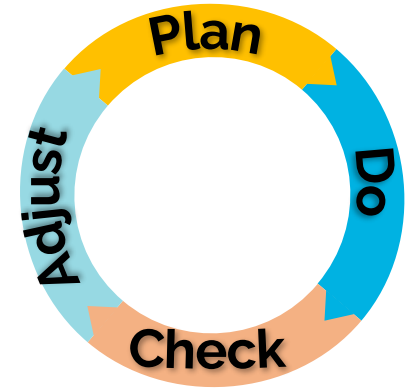
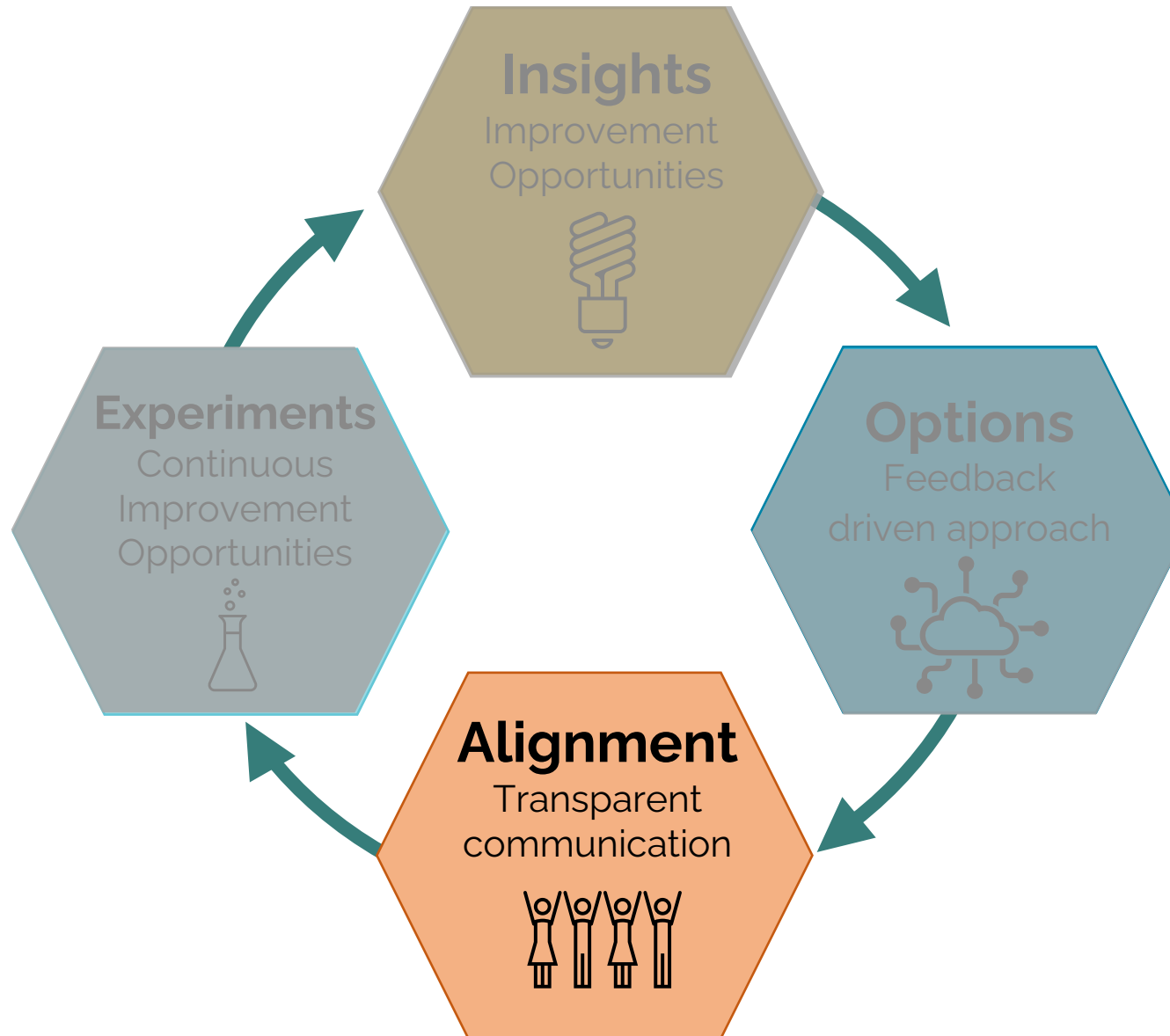
Bridges: These Options are safer and will help the people affected by the change build a mental bridge between where they are and where the organization is headed.

Necessary Evils: These may be thought of as being wasteful, however for larger, or more risk averse organizations they may be necessary.

Disruptors: These may be uncertain or risky options that are big changes affecting many people or departments. These Options may need to be broken down into smaller experiments, if selected for implementation.

Resource: <http://Leanchange.org/options>

Alignment





What is alignment and how do we align our team?

Alignment



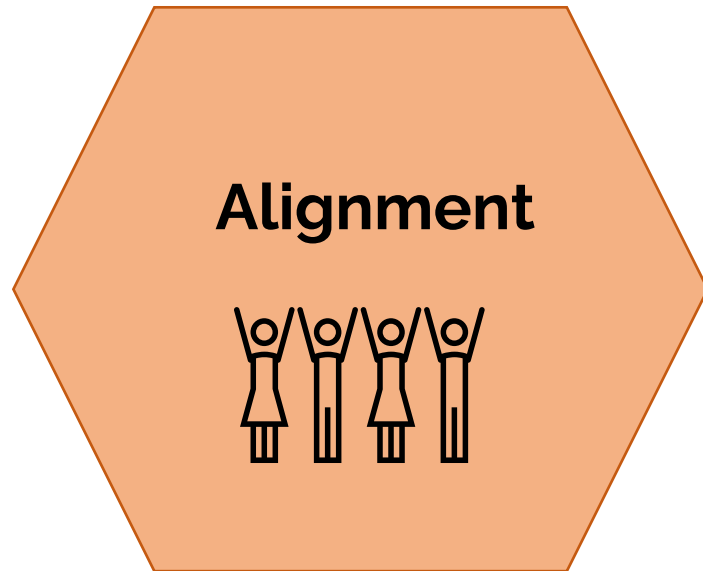
What?

Alignment ensures that everyone involved in a change initiative is on the same page regarding the goals, expectations, and approach.

How?

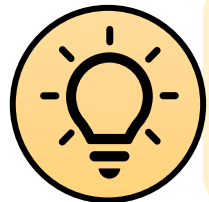
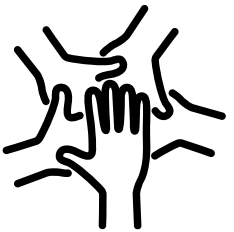
Alignment is usually achieved through one-on-one discussions, group discussions, and "offline" input outside of a group setting.

Understanding how to align people



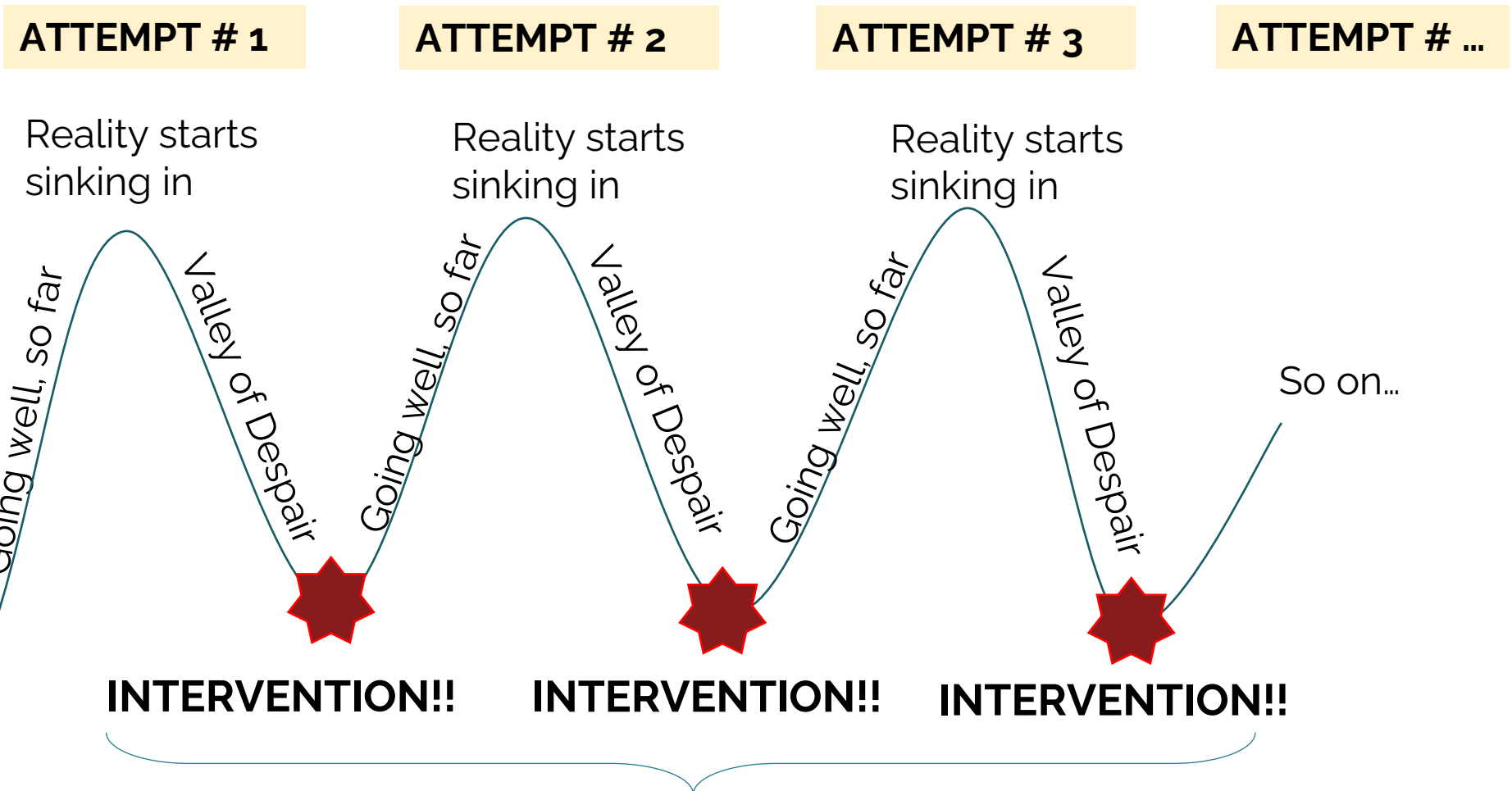
In Lean Change Management: Alignment is designed to ensure everyone is working together towards the same goal:

- Who needs to understand and agree with our plan?
- What disagreements do we need to resolve?
- What parts of our plan does everyone already agree on?



Hint: If your conversations about alignment generate many **"We can't agree on this because ..."** statements, dig deeper into the reasons why there's disagreement or lack of understanding.

What does change management look like in the “real world”?



Change agents step in to intervene and re-align the change effort at the bottom of the wave

Alignment starts with a conversation

Alignment



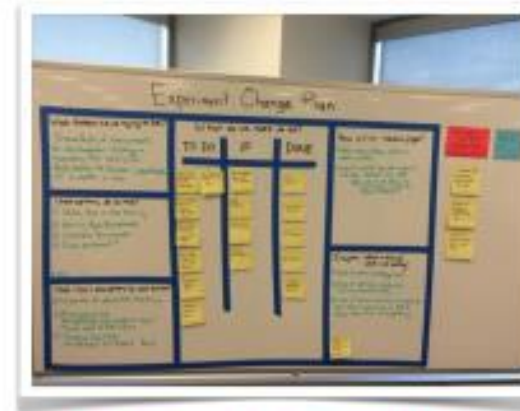
**Facilitate
A Conversation**

| Project Name | | Project Objectives | | | |
|--------------|--|--------------------|--|--|--|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Capture the Outcome



Reinforce Continually



Make It Visible

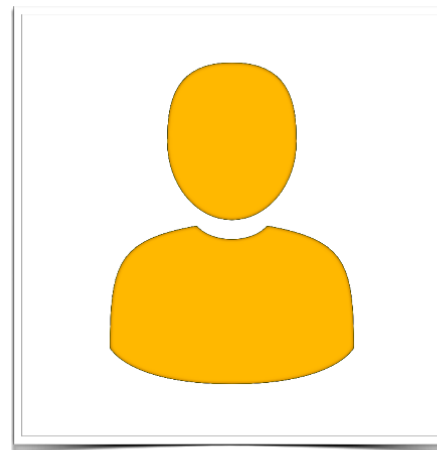
The three groups you will meet in any change initiative

Alignment



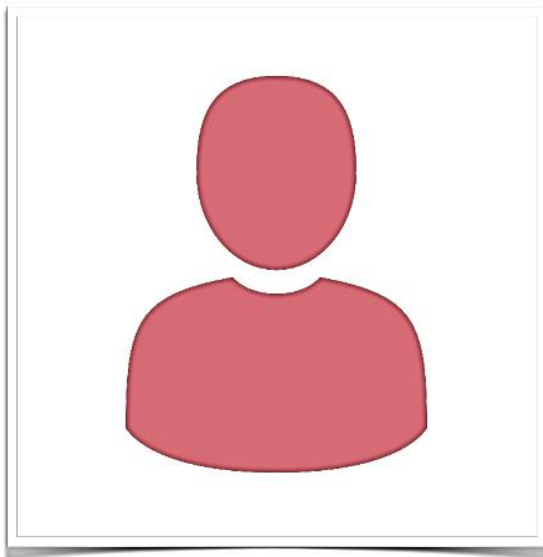
MOVERS

- ▶ **Catalysts for change**
- ▶ At their best:
 - ▶ Influential, disruptive without being abrasive, helpful
- ▶ At their worst:
 - ▶ Dogmatic, can get 'cagey' when the change becomes more structured, struggle to take the change to the next level



MOVABLES

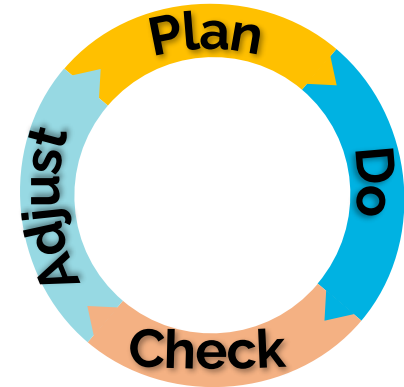
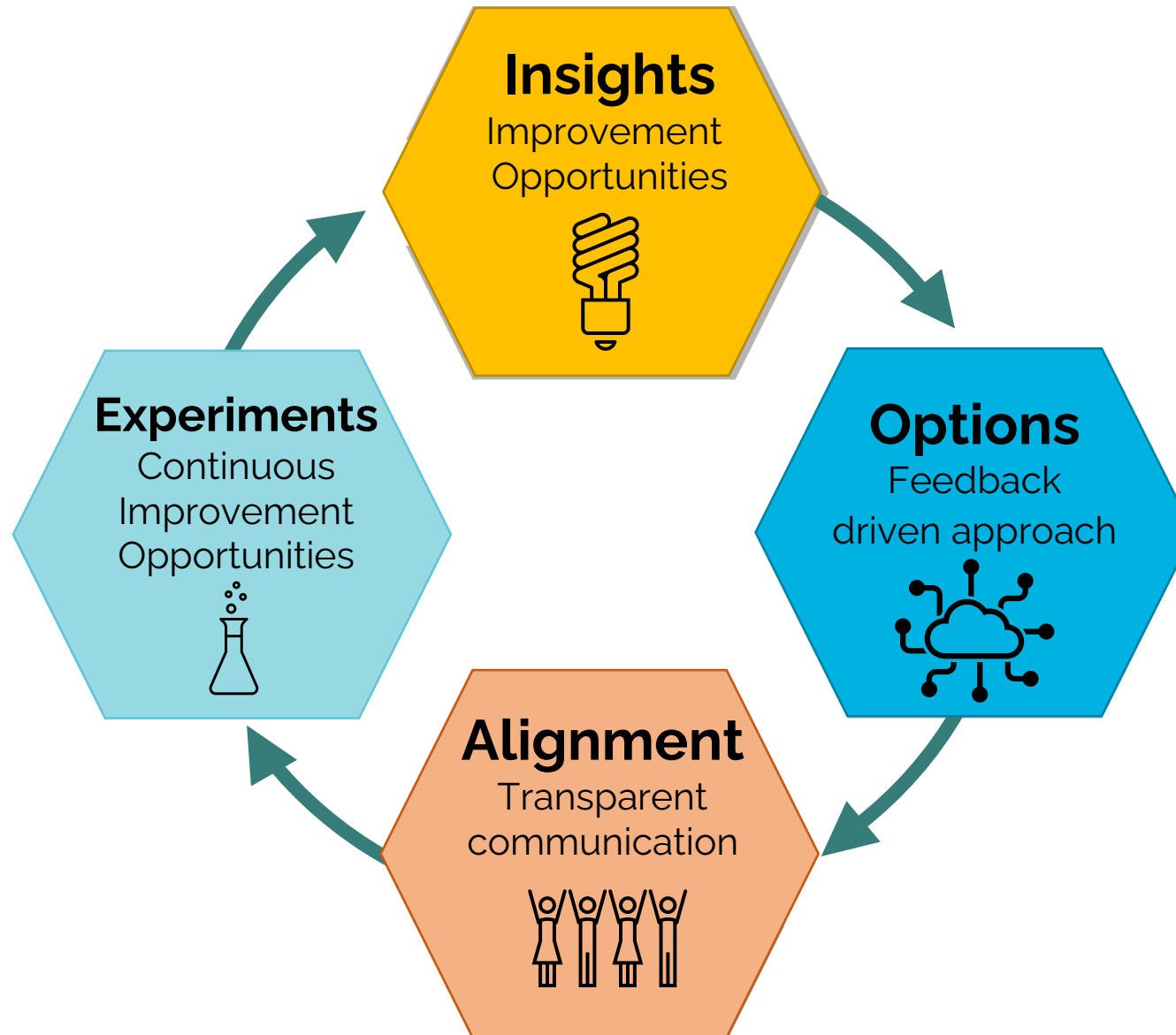
- ▶ **Fence-Sitters**
- ▶ At their best:
 - ▶ Waits until social proof exists, passively supportive, plays it safe, positive skeptic, take the change to the next level
- ▶ At their worst:
 - ▶ Apathetic, a shade removed from being maliciously compliant



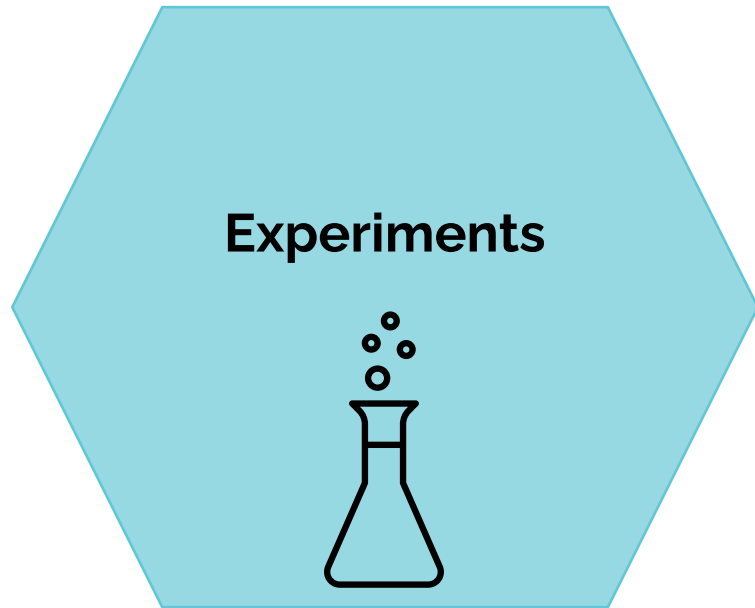
IMMOVABLES

- ▶ **'Resisters'**
- ▶ At their best:
 - ▶ Picks the change apart to make it better, provides reason and logic
- ▶ At their worst:
 - ▶ Actively undermines the change, maliciously compliant

Experiments



Now let's create Experiments



What?

Experiments are a way of finding out if certain guesses or options we have generated will solve our problem.

How?

We test options by making small changes and seeing what happens to learn and improve things step-by-step.

Culture of experimentation

How will you know if you have a "Culture of Experimentation" in your team?



Managing Change Visually (KANBAN)

Alignment



Make your change plan visible

| | ABANDON | YIKES!! | DO LATER | DO NOW |
|-----------------|-----------------|---------------------------|-------------------------|---------------------|
| TRAINING | | | USER STORIES | GET KANBAN |
| COMMUNICATION | NIGHTLY MEETUPS | STAKE-HOLDERS AT STANDUPS | | |
| PROCESS CHANGES | | PROJECT FUNDING | X-FUNCTIONAL TEAM PILOT | PERFORMANCE REVIEWS |



Measure Change Experiments

Types of Measurements

Qualitative Measures

Feedback and opinions

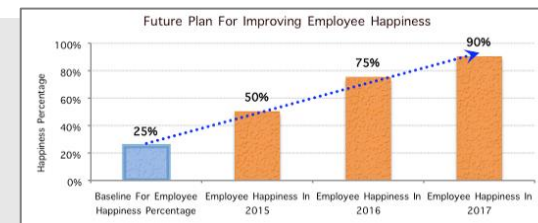
Quantitative Measures

Hard data
e.g., Net Promoter Score (NPS)



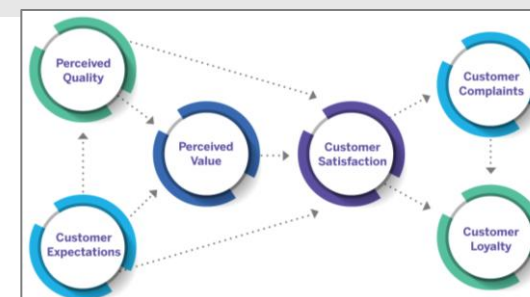
Leading Indicators

Show progress towards a goal
e.g., Happiness Index



Lagging Indicators

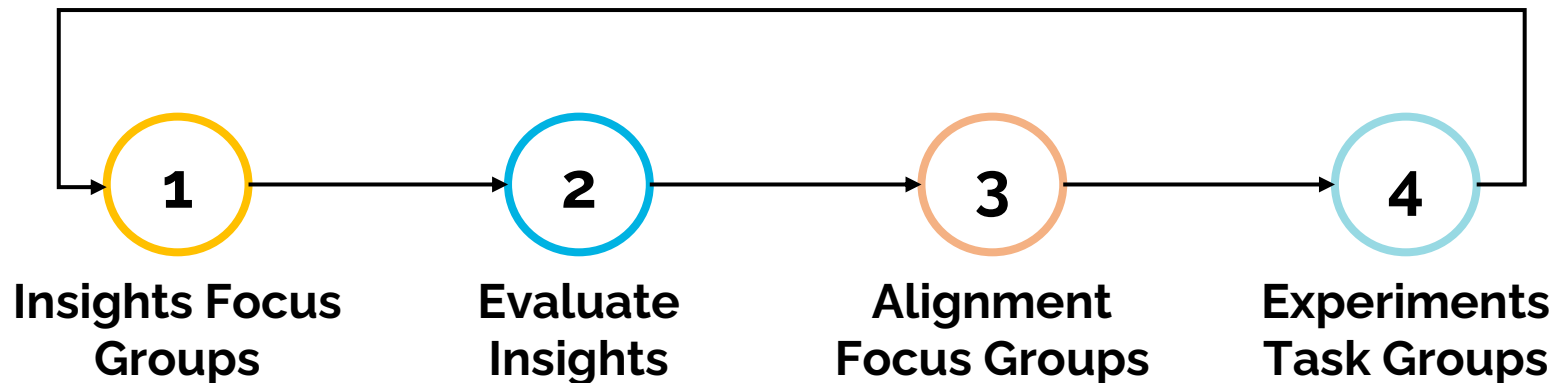
Measure change outcomes
e.g., customer satisfaction



Hypothetical Example

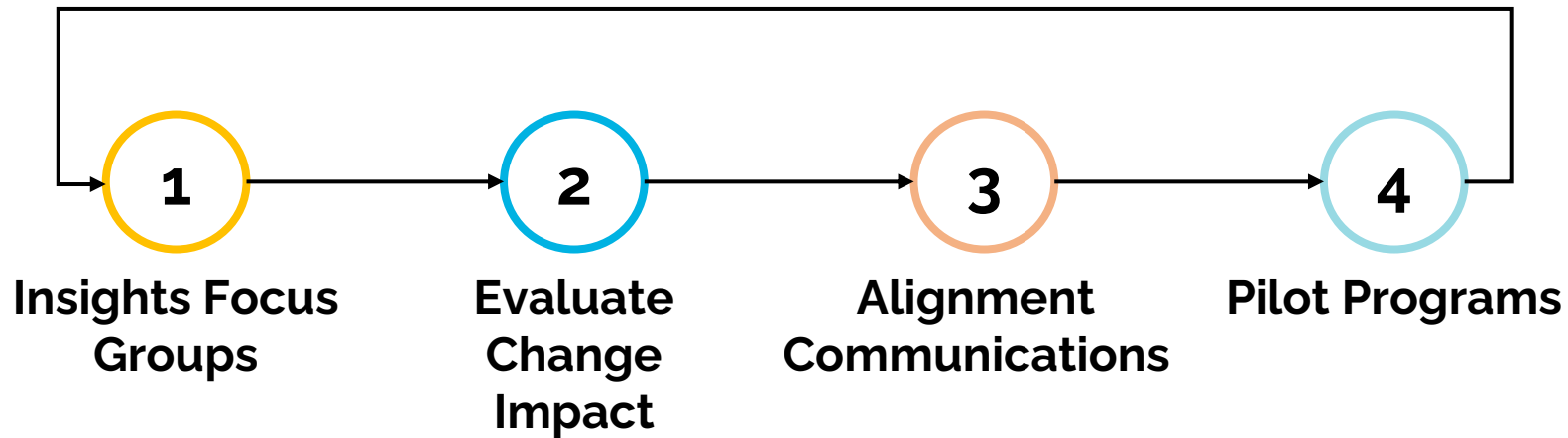
The Ministry of Change is undergoing a major policy shift. The government wants to focus assistance funds towards helping small businesses. Businesses with employees over 100 employees will no longer be eligible to access the Business Change Assistance program.

As a result the Ministry needs to change their portfolio structure and wants to use Lean Change Management principles to guide the transition, focusing on employee engagement and iterative feedback loops.



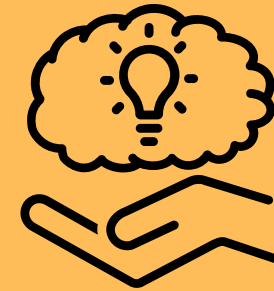
Hypothetical Example # 1

The City of Innovation, Public Transportation Authority has identified a new technology that has the potential to improve service efficiency. Before procuring and implementing the new technology across the City, the city's change management team decides to use Lean Change Management techniques.

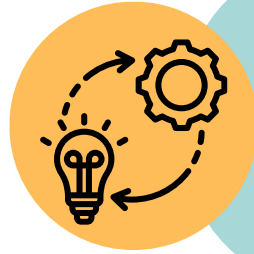




Apply
How To Use Lean
Change
Management With
Your Team



What is a Hot Seat?



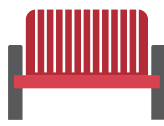
What? A technique used in Lean Change Management to help individuals or teams overcome challenges and make progress towards their goals.



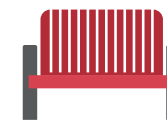
How? A facilitated conversation where one person or team shares current barriers or problems, and a group of stakeholders ask questions, share perspectives & offer advice.



The star? The person in the hot seat is the star of the group and takes on an active listening role, focusing on the questions and insights offered by the group. They are encouraged to reflect on their own assumptions and biases, and to explore new ideas.



Stages of the Hot Seat



1. Brainstorm and vote!

- Have 4-5 problems to vote on.
- Each person gets 2 votes.
- Problem owner of top voted problem becomes the 'star'.

Note: Don't allow people to vote on their own problem. Vote again to break a tie.

2. Gather insights

Goal: Learn enough about the problem to suggest options for solving.

- Set a 4-minute timer
- Identify Star/problem submitter
- Ask Star questions to clarify the problem
- Write down defining details

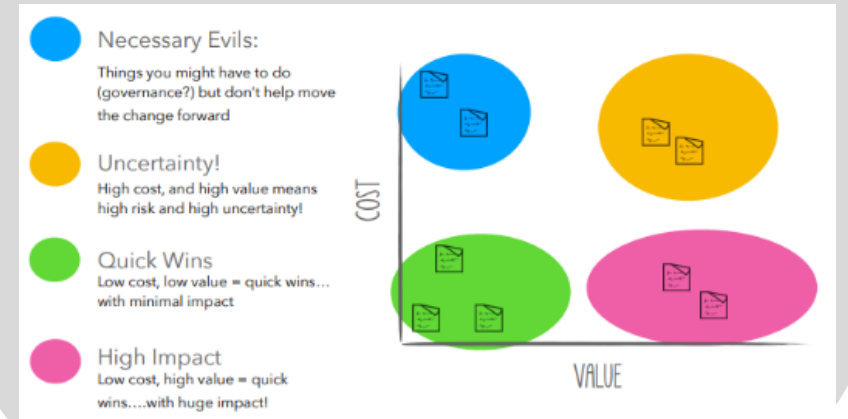
3. Create options

Goal: Brainstorm options

- Set a 4-minute timer
- Star cannot respond (but can take notes)
- Group members suggest options aloud and write it down in Miro

4. Prioritize options

- Cost: time, complexity, effort
- Value: How valuable is this option
- Star plots on a cost/value matrix



5. Debrief questions:

- Star: What was it like not being able to respond?
- Group: What was it like not getting feedback right away?

Brainstorming Insights



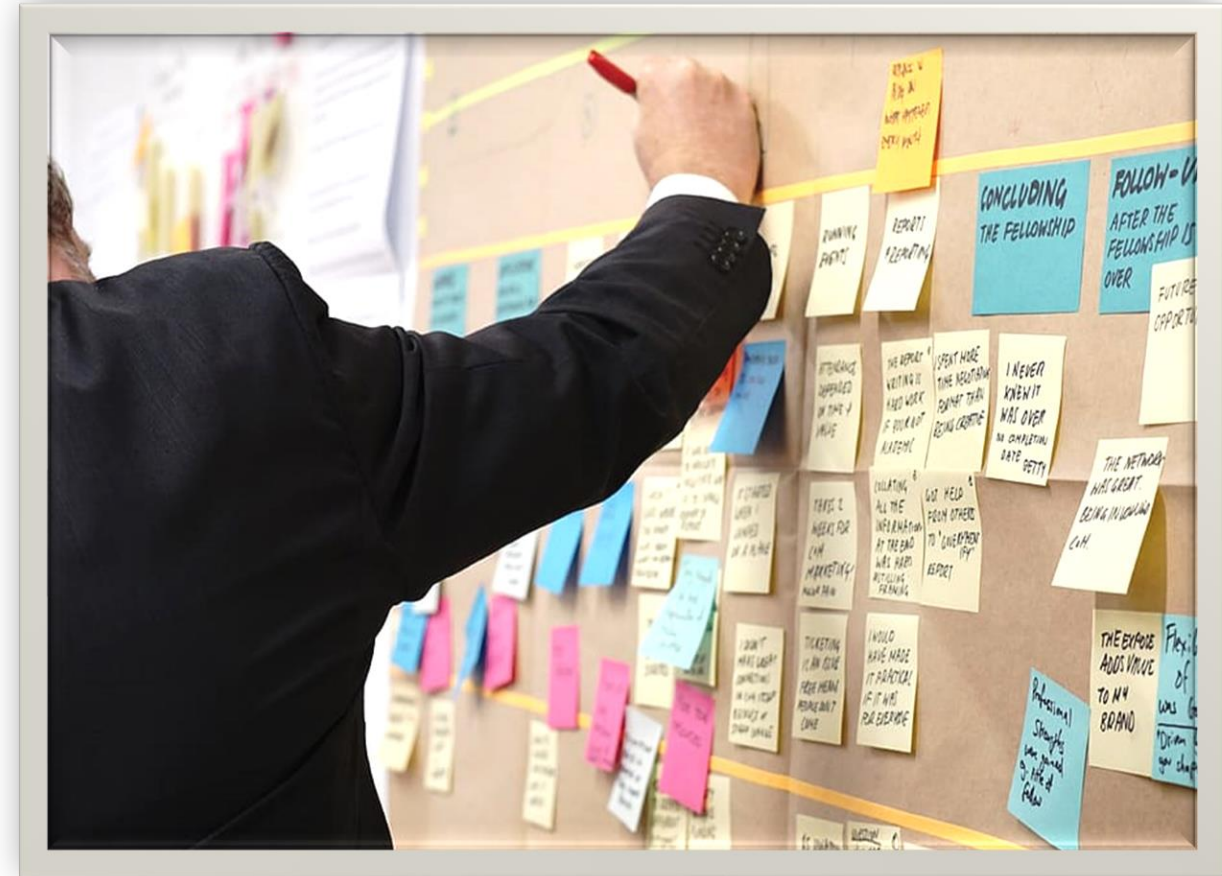
Gather Insights Using the STAR Method

STAR Insights (Timer 4 Mins):

How do we know what needs to change?

- What organizational norms exist?
- What do you (we) need to know before experimenting?
- What approach for change would work best?
- What is the organization's natural pace of change?

Note: We collect insights by talking to people, walking around, surveys, etc.



Generating Options

OPTIONS TO SOLVE THE PROBLEM:
(4 MIN)

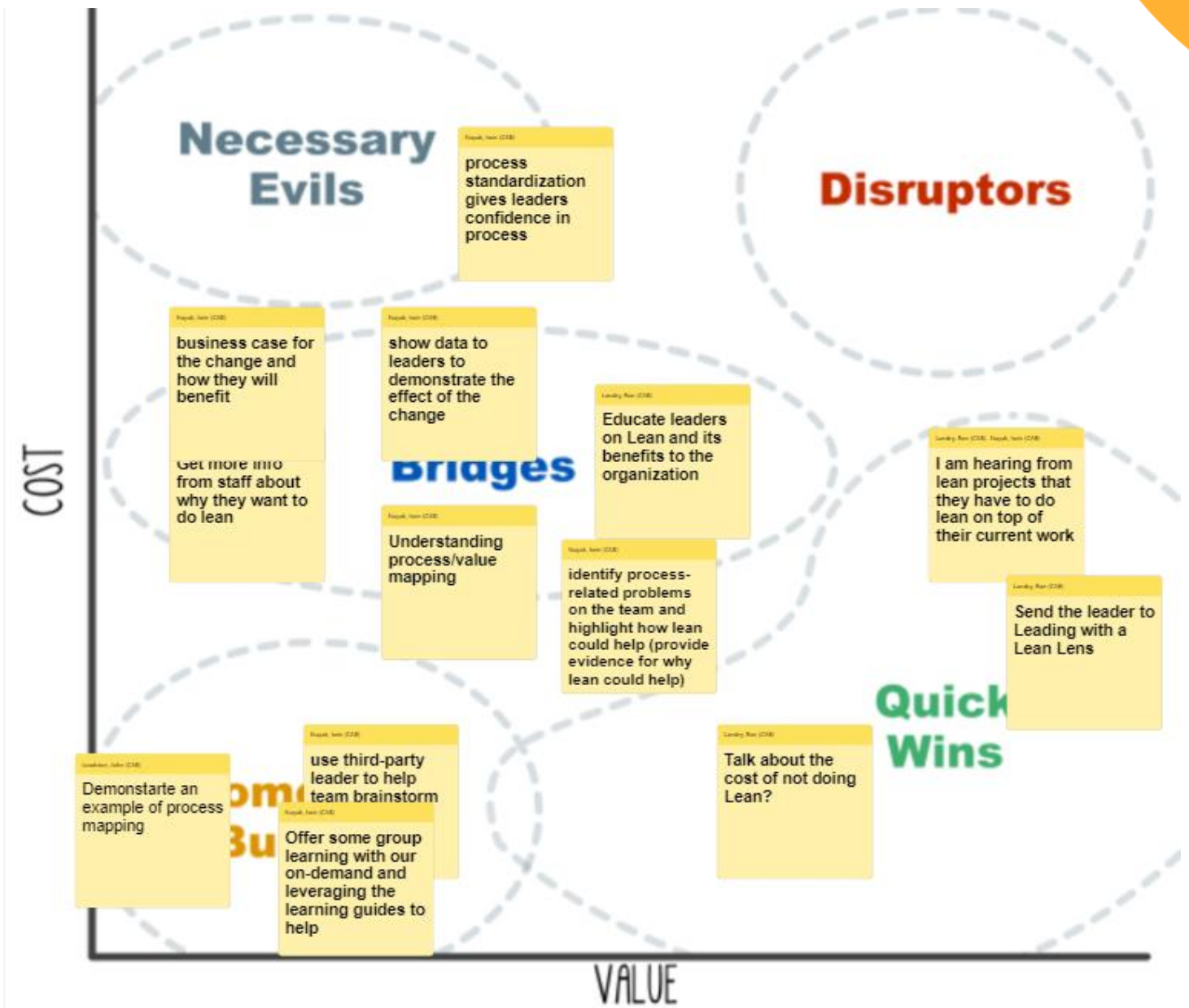
- a) What could we do?
- b) What tradeoffs will we make?
- c) What are we NOT going to change?

De-Brief: "STAR" responds:

- What was it like to not be able to respond? Hard to not ask questions.

Question for the Group:

- What was it like not getting feedback right away? Clarity was needed, generally it was nice not to be influenced by the "STAR" or Leadership model.



Creating Experiments from Options

Testing Change initiatives - Zone Chart

Insight

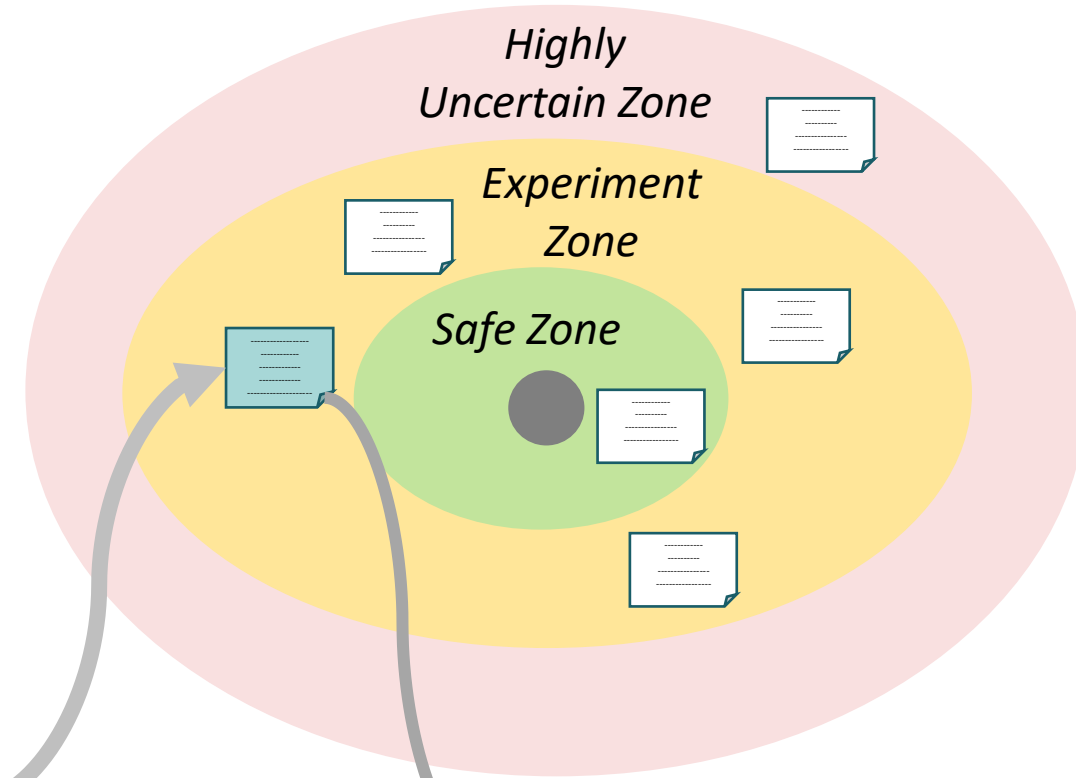
Need Leadership buy-in for Lean Processes

Option

Process standardization gives leaders confidence in process

Hypothesis

"We hypothesize that by implementing **process standardization** across all departments, we will provide leaders with **consistent and predictable outcomes**, which contributes to the '**Operations**' box on our canvas as measured by a **30% increase in leaders' confidence** in processes, as surveyed."



Start Standardizing processes and track the progress by measuring leadership buy-in periodically



STRATEGIC CHANGE CANVAS – INTRODUCING FREE COFFEE



VISION: WHAT IS THE VISION FOR THIS CHANGE?

To establish a free coffee service in the office, enhancing employee satisfaction, fostering a positive work environment, and boosting productivity.

IMPORTANCE: WHY IS THIS CHANGE IMPORTANT TO OUR ORGANIZATION?

Providing free coffee is a small but significant gesture that can improve employee morale, increase productivity, and foster a sense of community. It's a tangible way to show our appreciation for our team's hard work.

SUCCESS MEASUREMENTS: HOW WILL WE MEASURE SUCCESS?

Success will be measured by employee satisfaction surveys, increased usage of the break room, and potentially improved productivity metrics.

PROGRESS MEASUREMENTS: HOW WILL WE SHOW PROGRESS TOWARDS OUR VISION?

We will track the number of coffee cups consumed daily, feedback received, and changes in break room usage patterns.

WHO AND WHAT IS AFFECTED?: WHAT PEOPLE, DEPARTMENTS AND PROCESSES NEED TO CHANGE IN ORDER TO REALIZE OUR VISION?

All employees will be affected by this change. The procurement and facilities teams will need to manage the coffee supply and maintenance of the coffee machines.

HOW WILL WE SUPPORT PEOPLE?: WHAT ACTIONS WILL WE (THE CHANGE SPONSORS AND CHANGE TEAM) DO TO SUPPORT PEOPLE THROUGH THE CHANGE?

We will ensure a constant supply of quality coffee, maintain cleanliness and functionality of the coffee machines, and take into account any feedback regarding the service.

WHAT IS OUR PLAN?

OPTIONS:
A LIST OF POSSIBLE EXPERIMENTS

Offering different types of coffee (e.g., regular, decaf, flavored)
Providing additional amenities like tea, hot chocolate, and snacks

-1 MONTH

EXPERIMENTS LIKELY TO BE INTRODUCED IN ABOUT A MONTH

Introduce additional coffee options based on employee preferences
Organize a coffee tasting event to promote the new service

NEXT

THE NEXT MOST IMPORTANT CHANGES TO INTRODUCE

Consider providing additional amenities like tea and snacks based on feedback and usage patterns

PREPARE

EXPERIMENTS BEING PLANNED AND VALIDATED

Survey to understand employee preferences for coffee and other amenities
Cost-benefit analysis of providing additional amenities

INTRODUCE

EXPERIMENTS IN PROGRESS

Launching the free coffee service
Monitoring usage and gathering feedback

REVIEW

EXPERIMENTS BEING REVIEWED

Selection of coffee suppliers and purchase of equipment
Communication strategy for the launch of the service

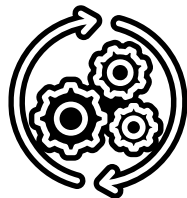


Why are experiments necessary in managing change?

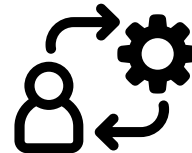
Referring to changes as experiments can help change agents consider the impact on people who may not understand the change as quickly.



Even small changes can have unpredictable reactions, so it's important to approach changes as experiments.



Experimentation mindset helps both change agents and people affected by the change feel more comfortable with uncertainty.



Experimentation can lead to greater creativity and learning during the change process.



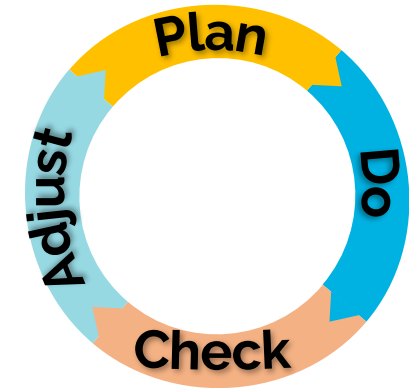
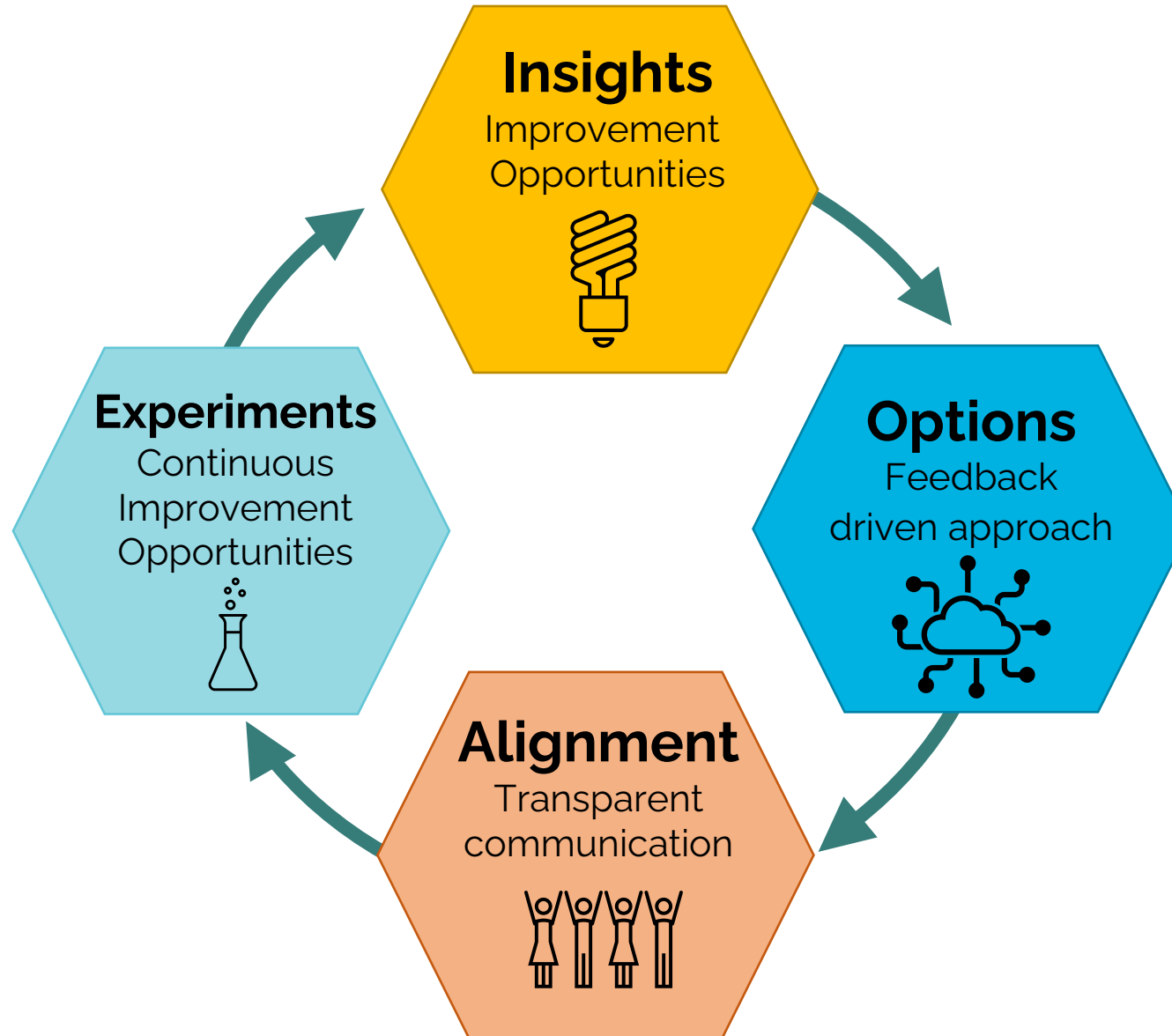
What can I do right now?

Your call to action:

Set up a meeting to align stakeholders to gather insights, generate options and set up experiments



The 4 continuous steps of LCM cycle



Thank You

Contact Us:

Email us at lwin.Nayak@ontario.ca and Breanne.Khoury@ontario.ca with any comments or questions



 Lean and Continuous Improvement Office
Ontario Cabinet Office





OPEN DISCUSSION

