How Do You Successfully Manage Change in a Virtual Environment?

We live in a virtual world, and the way we work is changing.

As the power of technology and telecommunication continues to grow, more and more organizations are structuring themselves around virtual teams. Even those organizations that continue to have an official physical office are leveraging telework strategies that enable people to work from home or another remote location on a regular basis.

This increasing trend toward the use of virtual teams has impacted organizations of all sizes across all sectors of business. Managing change in a virtual environment has advantages and disadvantages for both managers and employees. To be effective, we have to learn what strategies and communication styles will and won't work.

In 2014, the Society for Human Resource Management (SHRM) estimated that as many as 45% of large organizations already employed virtual workspaces, and the number of virtual teams and employees is trending upward.

Based on our experience and history, we have our own point of view on how to guide successful change in a virtual workplace, but we also want to better understand the breadth and depth of challenges that others might face.

In this white paper, we will:

- Describe how we used surveys and interviews to collect information

- Share the results and key findings from that research

- Showcase a series of client stories and quotes shared throughout the paper

- Introduce the 5 P's for strategic change – a framework for successfully managing organizational change, including a formula for an effective stakeholder engagement strategy, even in a virtual workplace

We hope this paper stimulates a conversation so that we can all share in generating and leveraging additional knowledge from our unique experiences about how to manage change with virtual teams.
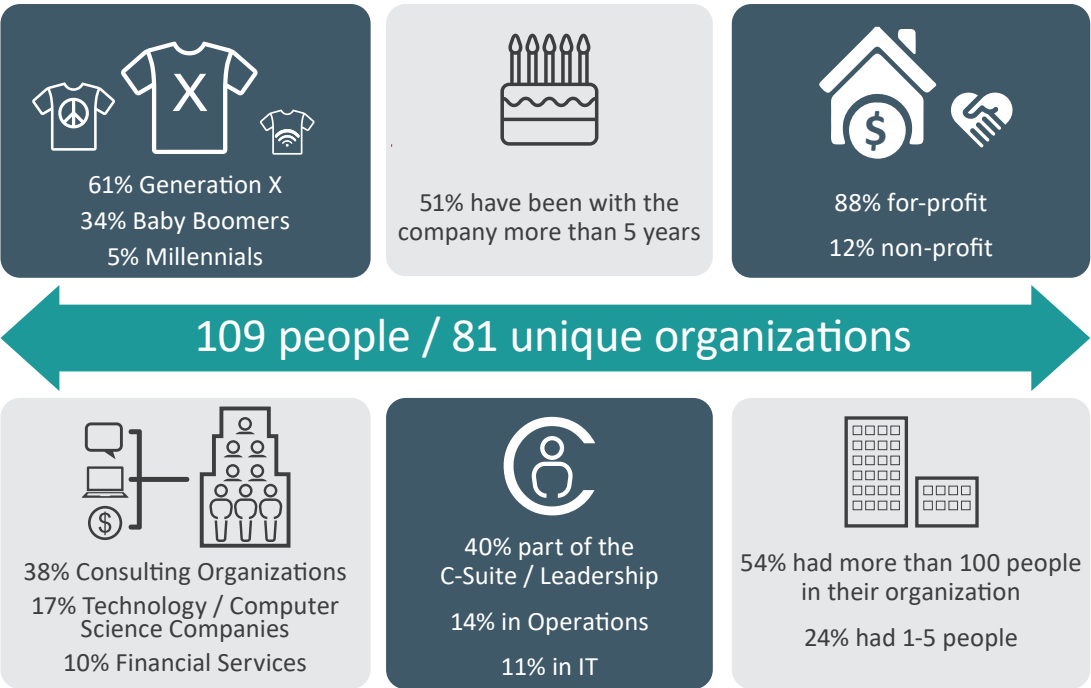
SPRINGBOARD INTERNATIONAL

We help you get there.

Survey and Interview Process

When planning this study, we wanted to identify those issues and best practices that best help all organizations manage change, regardless of their size or industry sector. We therefore cast our data gathering net across a wide group, gathering survey responses from a wide spectrum of over 100 individuals and conducting in-depth interviews with more than a dozen others.

Survey Respondents

61% Generation X
34% Baby Boomers
5% Millennials

51% have been with the company more than 5 years

88% for-profit

12% non-profit

109 people / 81 unique organizations

38% Consulting Organizations
17% Technology / Computer Science Companies
10% Financial Services

40% part of the C-Suite / Leadership

14% in Operations

11% in IT

54% had more than 100 people in their organization

24% had 1-5 people

Key Findings

How organizations learn about critical changes:

Email was the main medium

Other high responses were conference calls, 1:1 meetings, and Town Hall meetings

The two tools that were used most frequently and were helpful to move the change forward:
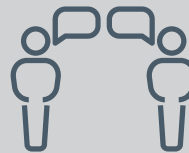
webex™

SharePoint

The biggest obstacles to this change were resistance and anger / fear

Resistance took the form of anxiety, resentment, lack of trust, and a sense of disconnectedness

The most effective way to deal with these obstacles were communications (specifically two-way communication) and leadership involvement

In addition to the key findings above, about a third of the respondents told us there were advantages to managing change within a virtual space – for example, both more efficient use of time and less impromptu meetings were mentioned. Not surprisingly, we found the need for two-way communication is often magnified in a virtual environment where workers can feel somewhat disconnected from their leaders. In fact, some respondents told us that periodic in-person meetings with leadership were critical to obtain the level of connectivity needed to achieve organizational alignment. Even the most advanced videoconferencing techniques are not able to replicate a handshake and close, physical eye contact. Ironically, one of the key strategies to successfully achieving change in a virtual environment may be to provide periodic face-to-face meetings.

> "There is less 'gossip' time when we are in virtual settings. Sure, we make calls to people to express wandering thoughts, but we spend less time on it and more time focusing on the tasks at hand."

All organizations experience change. To experience effective change, however, it is essential to get all parties within the organization aligned. Historical change management wisdom confirms that one of the keys to successful change is to ensure that the value propositions for the change (for both the individual and the organization) are clearly communicated in a manner that engages all parties and allows them to express their concerns through two-way communication. In the past, this has generally been facilitated through face-to-face meetings and other similar modalities. But in a virtual space, face-to-face meetings are seldom practical, because of financial, time, or space issues.

Our respondents used a variety of collaboration tools during their change initiatives. The most common modalities used to initially communicate change were emails (69%) and conference calls (53%). Face-to-face meetings and "Town Halls" were used 50% of the time or less, and social media was used for initial communication less than 25% of the time.

However, when it came to moving an initiative forward, respondents found that interactive tools were far more useful:

Over 80% of respondents found that online collaboration tools such as WebEx or GoToMeeting were at least "somewhat useful," with over 50% saying these tools were very useful.

38% of respondents also found value in using social media tools such as SharePoint.

The common thread among these tools seems to be that they all support broadcast communications with interactive capabilities. The exchange of ideas and feelings enabled through these modalities provides critical support for the acceptance of change.

One Client's Story

A client undergoing a company-wide technology change – to switch from using a home-grown messaging system to Skype – decided to embrace social media tools to gain support. A friendly competition was set up amongst all of the offices using soft-gamification. Stickers with positive quotes about the new technology were mailed out, and for each person that sent in pictures to the "home base" wearing the stickers, that office gained "points." This game was run over two months – and, in that time frame, people texted, emailed, and used Skype itself to send in pictures. It was such a success that more stickers needed to be printed and mailed out. This simple game was an ingenious way to generate interest and excitement around utilizing the technology. It was also a great example of how even though this was a "competition" amongst different offices virtually, they used various other technology tools to dispel concerns about Skype and create buy-in.
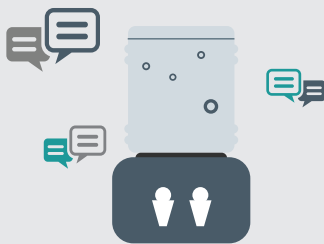
The key to successfully managing change in a virtual environment is to shift the traditional paradigm that we have to physically be in the same room in order to be effective. Below, we compare and contrast a traditional office work environment to that of a virtual team. While there are certainly challenges of working virtually, we believe that virtual environments can, at times, offer advantages that are not possible in a traditional office.

Traditional Environment | Virtual Environment

You run into someone in the hall and have an ad hoc meeting, or talk about business in the lunch room

Everything is scheduled and calendared with a specific time frame within to accomplish something

Quick decisions and actions, problem solving on the fly, and many opportunities for informal knowledge sharing

More structured knowledge sharing and decision making (e.g., shared databases and status calls); often time delays in making decisions and solving problems

Social media tools such as Sametime or Skype for Business can facilitate conversations that in many ways replicate the "water cooler chats" in a traditional office

Everyone is in the same location, with traditional work hours and "punching the clock" 9-5; commuting; shared office space and infrastructure (e.g., furniture, equipment, restrooms, break room)

Each employee has their own definition of work hours; flexible schedules; time zone considerations; home offices, each with their own technology

Online collaboration tools (such as Google Docs) create a meeting space in which information can be presented to all parties, and everyone has an opportunity to respond with questions or comments, sometimes anonymously. Features such as WebEx's emoticons and chat simulate the two-way communication made possible in a traditional corporate meeting room with participants sitting around a table.

Tends to be more hierarchal/formal organizational structure; traditional "command and control" leadership style; employees can sometimes be hesitant to truly speak their minds

Tends to be more fluid/informal structure; trending towards delegation and coaching in today's virtual workforce; responses can be anonymized to receive more candid/unfiltered feedback

Digging deeper into our key findings, our respondents reported encountering obstacles to change consistent with what one would expect in a traditional environment.

- Over 57% reported encountering some form of resistance; and in over 40% of cases, the population undergoing the change showed signs of anger or fear

- Respondents attributed the resistance to a variety of factors including a lack of clear direction as well as confusion regarding future roles and expectations

- In many cases, the resistance seemed to take the form of anxiety, resentment, a lack of trust, and a sense of disconnectedness

> To quote one of our respondents, being virtual led to "an un-addressed and un-corrected rumor mill with team members feeling isolated..."
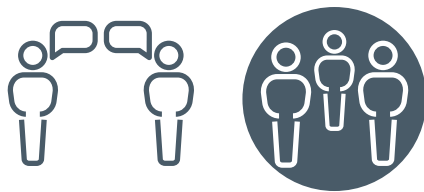
Respondents overwhelmingly indicated that the most effective strategies for addressing these problems involved communications and leadership engagement. Over 87% indicated that the key to getting people aligned with the change was effective communication. Likewise, leadership engagement came in at a close second with 61% of respondents saying they felt getting leaders on board and ensuring an aligned, efficient message was critical to successfully addressing the challenges that change presented.

Further, anecdotal accounts and our interviews both indicated that the most impactful communication in supporting sustained change was two-way. The people impacted by change are not satisfied to simply be told about the change – they needed to have a chance to express their concerns and believe that those concerns have actually been heard in order to buy-in to the change. Given these findings, there should be no surprise that, when asked what approach(es) were found most effective at preventing remote team members from feeling isolated or disengaged during the change, frequent contact and clear/transparent messages were the highest rated as being most effective.

One Client's Story

A large national non-profit membership group underwent an organization-wide change to create a supportive environment for a holistic learning culture at their national office. This culture change required implementing a new software application, a Learning Management System (LMS) that would facilitate centralized learning. The intent was for the new system to resolve issues with knowledge transfer as new employees and contractors were onboarded, and also to better support current employees' professional development requirements. By carefully defining system requirements to meet their needs, selecting the right LMS system, and then collaboratively guiding key stakeholders through the change, they were able to employ a critical enterprise software tool to successfully navigate challenges and remove barriers to this new learning culture. By thoughtfully creating a clear implementation and communication strategy which engaged the entire staff, the change was successfully accepted throughout the organization.

Finally, our research showed that 61% of the changes encountered seemed to be positively received or successful, and only 10% with neutral or detrimental impact on the organization. Given how our respondents handled the change (with key stakeholder engagement), it thereby isn't surprising that their change initiatives were successful.

> "Communicating clearly, consistently, and constantly. Being open, honest, and transparent. Answering all questions. Explaining the down sides and alternatives, not just the happy corporate story."

One Client's Story

After the Pentagon was bombed on 9/11, one of our clients had to adopt a telework strategy with no notice and no preparation. They rapidly discovered that they lacked sufficient technical infrastructure and had to develop numerous workarounds to communicate effectively and complete daily tasks. The key to successfully navigating the change was constant communication. The newly virtual office quickly established a communications protocol to keep all of the affected parties involved and informed. The strategy – which included emailed broadcast messages and both virtual (conference call) and in-person meetings that solicited and responded to questions and concerns – enabled the office to continue functioning with virtually no loss in effectiveness until a new physical office could be established.

The 5P's for Strategic Change

In our experience, THE key to successfully managing change in a virtual environment is to plan for and implement stakeholder engagement strategies throughout the change initiative.

There are **5 key elements** – we call them the **5 P's** – for undergoing a strategic change, especially in a virtual workplace. The most important prompting questions to ask of your organization are shown here. Clarity in the answers to these questions is critical to successfully managing organizational change.

Purpose
What is the objective behind this change, and what is the organization trying to achieve?

Plan
How does your change management strategy incorporate a robust communication plan?

Position
What relationship does each stakeholder have with this change initiative and others affected by it?

Path to Success
How are you supporting the success of both the organization and affected stakeholders with tools such as professional development?

Power
What is leadership's role as part of this change process and how engaged are they to ensure successful implementation?

One Client's Story

A large global financial institution had to implement processes and regulations around their IT department's access to client data **(Purpose)**. This meant changing how some people were doing their job for over 35 years, most of whom worked virtually in different countries and time zones. The sponsor for this initiative was extremely supportive of the organizational change and encouraged the change team to conduct stakeholder interviews with key leadership executives to understand their main issues and pain points **(Position)**. In addition to creating a clear and effective communication plan **(Plan)**, the team also identified professional development opportunities within a broader training strategy **(Path to Success)**. That spurred a successful change network to be created comprised of leadership who were initially skeptical of these changes, and led to organization-wide adoption of the new processes **(Power)**.

The 5 P's framework introduced above provides a strong starting point for strategically and successfully managing change. The Springboard team welcomes the opportunity to begin a dialogue and discuss your unique situation one-on-one. Let us know how we can help. And, what have you found successful that isn't mentioned here? We want to learn from you!

Authors:
Sarika Sidhu
Bill Yoder

Springboard International is a business advisory organization that helps its clients build, maintain, and grow high-performing businesses. Through analysis of existing practices, and guidance in three key areas: *Organizational Effectiveness, Leadership and Coaching, and Learning and Development*, Springboard helps leaders excel and surpass business obstacles.

We want to thank every organization that participated in the interviews and survey. We continue to learn new things and get great ideas from our clients and the Springboard community.

SPRINGBOARD
INTERNATIONAL

Phone: (703) 961-9595
info@springboardintl.com
www.springboardintl.com