

It's all about the deal!

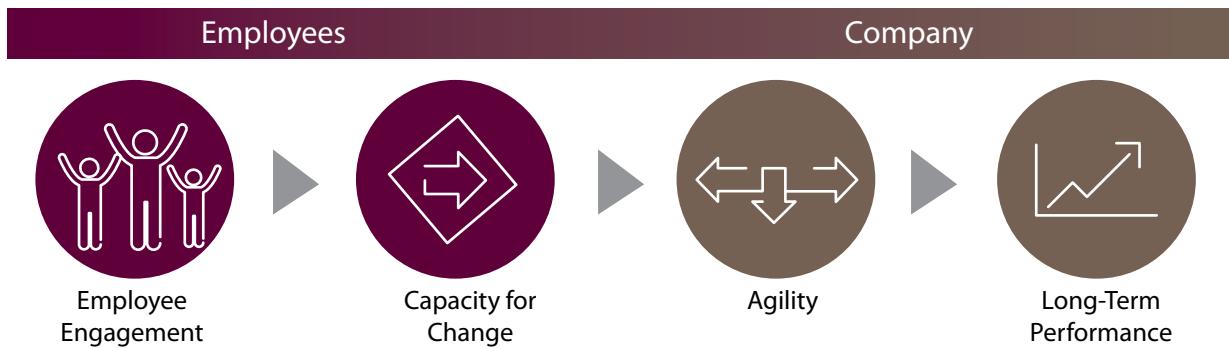


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Capgemini Consulting's New Change Deal is an agile and people-centered approach inviting you to deal with transformations in a digital world in a new and inspiring way. Here's our Point of View.”

The number of organizational changes is increasing due to an ever faster changing environment. New developments like the digitalization of companies and technologies such as cloud computing, mobility, and social media are driving changes within organizations at an unprecedented pace. Socio-economic trends like globalization, diversity and demographic mix, customer-centric innovation, and corporate social responsibility requirements are also increasing the need for organizations to respond to this ever-changing environment to survive.

Consequently, traditional ways to manage change in an organization aren't sufficient or fast enough anymore: a new perspective is required on the role of employees and that of the management in the transformation process. Key in achieving this: Employee engagement! Engagement increases an employee's capacity for change, which positively influences the agility and the long-term performance of a company. The correlation between engagement and performance is four times stronger than the other way around. It is engagement that drives performance.

Moreover, research shows that organizations with highly engaged employees have a yearly net profit that is two times higher than companies with a low rate of employee engagement.



What does this mean for the overall change management practice?

Think of the famous YouTube video on how to encourage people to take the stairs. It shows how people respond if they are invited (instead of forced) to change their behavior or normal pattern.

Likewise, Capgemini Consulting's **New Change Deal** invites us to think differently about how organizations can deal with transformations successfully. The New Change Deal is a flexible, collaborative and feedback-driven approach, focusing on **shared vision, empowerment** and **agility** as levers to establish **engagement** and create **value**.

- Visioning to reach the targeted change which makes sense vis-à-vis today's reality.
- Empowering managers and employees through an approach centered on their roles and giving them some leeway
- Prototyping and experimenting to achieve quick results
- Agility in implementation, based on the creation of multiple cross-team groups, capable of driving the change

What are the key principles and techniques used?

The New Change Deal addresses the change journey based on five principles, putting employees and managers in the center of the change.

Five principles of New Change Deal



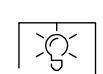
Shared Vision

Create, visualize and spread a meaningful vision that guides people at all levels through the transformation journey.



Co-Design

Collaboratively involve target group already in the development process of the solutions to ensure a close link to the business.



Prototyping

Rapidly create tangible solutions and continuously improve the value added relying on data-based decision-making.



Empowerment

Build on the potential of managers and employees by providing resources, enablement and leeway.



Swarming

Use the energy and wisdom of the crowd to effectively reach the whole organization.

Two of the key techniques used in applying these principles are Design Thinking and Co-creation. Design Thinking is a human-centered, collaborative and iterative approach to define innovative ideas for problem solving with no predefined outcomes. Starting with the experiences and emotions of the employees, solutions and ideas are collected - in co-creation. Prototypes are built that employees can experience and interact with and are tested what works. Then the solutions that seem to work are refined and prototyped again.

Near and real-time feedback is gathered by making use of change agents and constant experimenting and testing with the target group. This feedback driven approach will improve engagement and performance to support in completing the transformation process successfully.

Using modern, 'blended' and on the job tools, the New Change Deal focuses on user-generated content via modern channels like social media instead of central messaging. Learning is stimulated by connecting employees to communities, engaging them in questions that matter for the business and that challenge and support them in taking action on these topics.

How does it work in practice?

Let's give two examples of how these principles really can be considered as a new approach towards change management.

Creating a clear vision can be found in every change management handbook, so what else is new? This becomes clear when looking at HOW this is achieved and WHAT is achieved. It starts with identifying with the employees what is most desirable in the organization. Once a range of solutions have been determined that could appeal to the community we're looking to serve, we start to home in on what is technically feasible to implement, and how to make the solution financially viable.

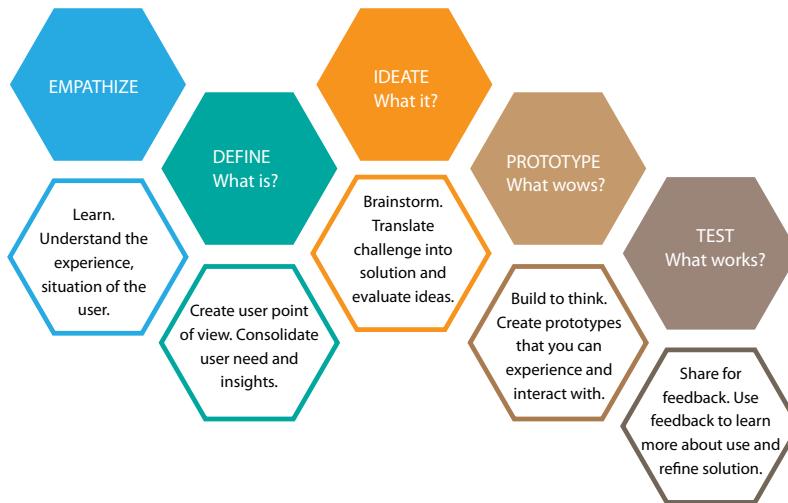
In this way, and by using inspiration and ideation techniques, we can produce visions that can inspire and engage employees instead of designing visions top-down. If employees are co-creating the vision it is much more likely that they want to actively be part of the design of the new process and at the end show ownership of the change. Imagine an organization that thinks of setting up a Financial Shared Service Center. The understanding, support and input from current finance employees is crucial to design and implement the new model and make this change a success.

A second example of the new way of managing business changes is the focus on experimenting. This is very powerful because it selects the best solutions based on prototyping,

simulation and outcomes - not assumptions. Testing and learning happens quickly by applying tangible, practical changes. In this way, the organization is empowered to act on relevant trends utilizing a proactive and agile approach to the change.

An organization aiming to implement for example a performance management process and system can iteratively prototype possible solutions with a pilot group first to be able to receive targeted feedback before implementing the solution for all employees in scope.

each Change Sprint the activities are reviewed and feedback on the change progress is collected via real-time measurement. Based on the results the change activities are refined and/or new activities are added depending on the learning experience during the sprint. Then the next sprint starts with a new sprint planning and sprint, the number of sprints depending on the project size. This iterative way of working secures an efficient and scalable way of managing business change.



Agile way of working

Clearly recognizable are the agile elements in this approach, speeding up delivery and shortening reaction time in complex transformation projects.

It starts with developing a 'Change Backlog', together with the project team and representatives from employees and management. This backlog is a list of selected change formats and activities based on best practices and tuned to the project goals. After prioritizing the activities and defining milestones, selected change activities are planned in rapid sprint cycles to ensure fast-paced delivery as well as flexible adaption to project needs.

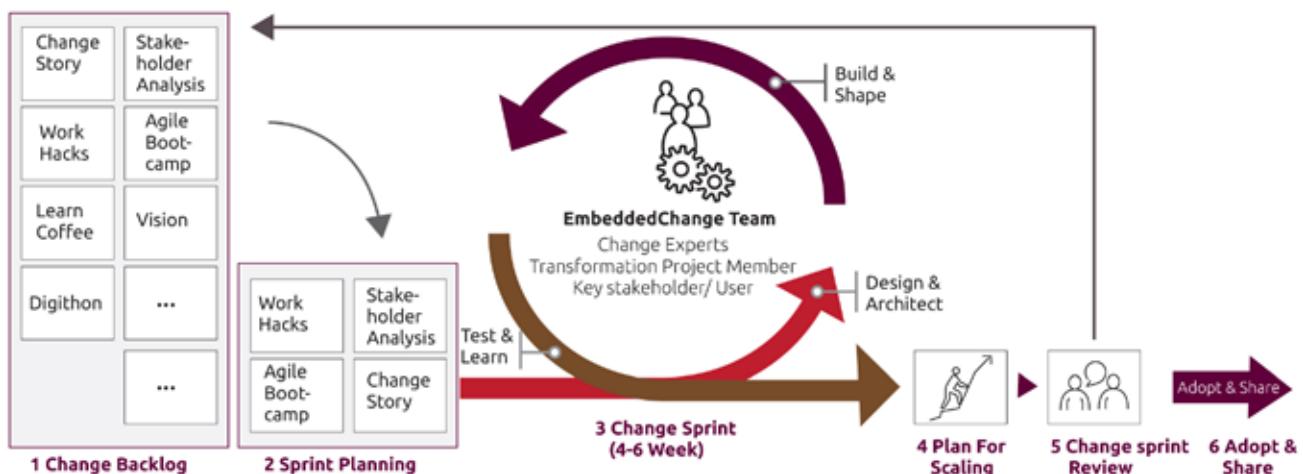
The change activities are rolled out within the organization in Change Sprints, each taking four to six weeks. At the end of

Is everything we did in the past obsolete?

No! The New Change Deal also makes use of standard and proven change management tools; but in addition, it enriches the change management practice by including agile ways of working, co-creation and design thinking. This approach invites us to look at people and organizations from another perspective, and to engage and communicate more effectively.

In sum, the New Change Deal is a pragmatic and people-centered approach where change is designed progressively and close to local needs. It enables change practitioners to keep pace with the accelerated speed of change and to become catalysts for business transformation.

The key to success: Make employees the stakeholders of change and win their engagement in the transformation process!





About Capgemini Consulting

Capgemini Consulting is the global strategy and transformation consulting organization of the Capgemini Group, specializing in advising and supporting enterprises in significant transformation, from innovative strategy to execution and with an unstinting focus on results. With the new digital economy creating significant disruptions and opportunities, the global team of over 3,000 talented individuals work with leading companies and governments to master Digital Transformation, drawing on their understanding of the digital economy and leadership in business transformation and organizational change.

Find out more at:

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