The People Side:
Managing Change and
Skills Transition

John McCoskey
Eagle Hill Consulting
Change Management.
LANDSCAPE
Media & Entertainment Change Landscape

• Moore’s Law continues to drive technology-enabled change in M&E
  • Increasing pace of change
  • Increasing capabilities
  • Decreasing costs

• IP and virtualized architectures unlock the scale leverage of new technologies, larger industry advances, and software

• Failure tolerance is unbalanced:
  • Broadcast technologists – failure is not an option, limit risk-taking
  • “Digital” technologists – push until failure, fail fast, take risks
SCIENCE & RESEARCH BEHIND CHANGE MANAGEMENT
What is change management?

A process and set of tools and techniques to manage the people side of change to achieve desired business results.

1940s
Kurt Lewin (3 Stage Model)

1969
Kubler-Ross (5 Stages of Grief)

1988
Stephen Covey (7 Habits)

1994
Jeff Hiatt (ADKAR)

1996
John Kotter (8 Step Model)
The risks of not managing change

When change is managed poorly, the entire initiative is at risk as a result of lower engagement and productivity.

**Consequences of Not Managing the People Side of Change**

- Lower employee productivity and higher turnover
- Active and passive employee resistance
- Changes not fully implemented or completely scrapped

**Benefits of a People-Focused Change Management Plan**

- Increase probability of initiative success
- Manage employee resistance to change
- Build change competency in the organization
Debunking Change Myths

Do generational differences matter when it comes to managing and communicating organizational change?

- Understood need/reason for change: Baby Boomers 38%, Gen X 32%, Millennials 30%
- Strong Leadership: Baby Boomers 30%, Gen X 33%, Millennials 37%
- Effective Communication: Baby Boomers 29%, Gen X 39%, Millennials 32%
Eagle Hill conducted a study of large-scale change projects across technology and media organizations to identify change management best practices. The study participants were C-Suite leaders from a broad cross-section of the industry.

- 80% of organizations interviewed agreed that poorly executed projects were negatively impacted due to a lack of formal change management.

- Rapidly evolving technologies and consumer demands for new content drive organizations in the Media and Entertainment industry to experience change at a quicker rate than other industries.

- Many organizations do not acknowledge the people side of change early during project planning and execution, which results in projects with mixed results.
Change Management Study – Selected Participant Quotes

I had to step into a partially baked solution and I didn’t know who made the decisions, to what degree, and to what level. I was troubleshooting, instead of being an active participant from the beginning.

Self-awareness is critical for successful change, and being willing to believe that there is a better way of doing something.

A strong leader is essential for change, and it needs to be someone people are willing to follow.

[We created a] working group that included individuals from all parts of the system, including engineers as well as traffic people. [We wanted to] have the users at the table. At first, both parties [were] hesitant but after a few meetings, they saw that integration of both perspectives was critical.
### Change Management Leading Best Practices

Based on study interviews, we identified five leading best practices for change management in the media industry.

<table>
<thead>
<tr>
<th>Approach</th>
<th>Features &amp; Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Sponsorship</strong></td>
<td></td>
</tr>
<tr>
<td>• Executed Stakeholder assessment to understand which stakeholders to engage and act as sponsors</td>
<td>✓ Engaged executive sponsor that supports business case and is invested in the success of the project</td>
</tr>
<tr>
<td>• Engaged stakeholders to support efforts of project and need for change</td>
<td>✓ Strong leader to unite organization during change efforts and promote belief in new strategic direction</td>
</tr>
<tr>
<td><strong>Stakeholder Buy-In</strong></td>
<td></td>
</tr>
<tr>
<td>• Codified Business case outlining goals, motivation and reason for change to garner buy in from stakeholders and wider organization</td>
<td>✓ Standardized documentation with clearly stated vision and mission to unite organization behind project/strategic change</td>
</tr>
<tr>
<td>• Established Steering Committee consisting of stakeholders across management levels to monitor project delivery and set priorities in line with organizational goals</td>
<td>✓ Increased understanding of project across internal and external stakeholders</td>
</tr>
<tr>
<td>• Engaged executive sponsor that supports business case and is invested in the success of the project</td>
<td>✓ Dedicated team of engaged stakeholders to keep project on track and in line with organizational priorities</td>
</tr>
<tr>
<td><strong>Organizational Readiness</strong></td>
<td></td>
</tr>
<tr>
<td>• Executed full assessment of internal processes to establish current state understanding of organization</td>
<td>✓ Baseline understanding of organizational current state to develop project plan and understand required roles and responsibilities to ensure successful project execution</td>
</tr>
<tr>
<td>• Risk and impact assessment created to prepare for change and develop mitigations for expected challenges</td>
<td>✓ Risk and impact assessment to avoid anticipated pitfalls and assess ongoing success of project</td>
</tr>
<tr>
<td><strong>Communications</strong></td>
<td></td>
</tr>
<tr>
<td>• Established two-way communication channel between internal and external stakeholders to increase awareness and cooperation</td>
<td>✓ Improved collaboration to establish a dialogue and provide continuous insights into project execution</td>
</tr>
<tr>
<td>• Used consistent messaging across the entire organization</td>
<td>✓ Better shared understanding of organizational priorities and project goals among internal employees and stakeholders</td>
</tr>
<tr>
<td>• Provided clear communication guidance on standards and training to improve adoption</td>
<td></td>
</tr>
<tr>
<td><strong>Employee Engagement</strong></td>
<td></td>
</tr>
<tr>
<td>• Identified and engaged specific employees (a Change Agent Network) to support change efforts</td>
<td>✓ Dedicated team(s) to support project execution and ensure smooth implementation of change management efforts</td>
</tr>
<tr>
<td>• Maintained open channels between stakeholders and employees to address queries and gain feedback</td>
<td>✓ Continuous loop of feedback to maintain a pulse on organizational impacts and responses to project</td>
</tr>
</tbody>
</table>
Insights and Summary of Findings

Executive Sponsorship

37% of organizations acquired sponsorship from C-suite executives, external advisors and legislative leaders resulting in engaged stakeholders who were closely aligned to project strategy, process and progress.

Communication

100% of organizations agreed that effective communication is critical for project success.

75% of organizations implemented effective communications tools, including:
- In person events;
- Regular emails;
- Newsletters;
- Social media;
- Blog posts; and
- Intranet updates.

Stakeholder Buy-In

- 25% Organizations attained buy in at all levels and conducted an impact assessment.
- 50% Organizations had support but did not communicate vision or benefit.
- 25% Organizations completed limited activities to establish buy in for project.

Organizations that did not fully commit to establishing buy in from all stakeholder levels or a Steering Committee had mixed project success due to purpose, benefit, priorities and impact not communicated.

Organizational Readiness

25% of organizations conducted an impact assessment or completed a pilot initiative to plan and mitigate potential risks.

However, some organizations conducted varied organizational readiness assessments and did not utilize results to shape project execution.

Employee Engagement

38% of organizations established working groups consisting of targeted user groups.

However, organizations noted that the wrong people were often selected to represent the wider organization. As a result, feedback from all affected employees was not taken into account, creating a lack of trust between managers and employees.

Insights and Summary of Findings

100% of organizations agreed that effective communication is critical for project success.

75% of organizations implemented effective communications tools, including:
- In person events;
- Regular emails;
- Newsletters;
- Social media;
- Blog posts; and
- Intranet updates.
STRATEGIES FOR SUCCESS
Keys to successful Change Management

• Strategic & Implementation Plan
• Executive Sponsorship
• Change Agent Networks
• Stakeholder Analysis
• Change Resources
• Communication
• Recognition
2 EXAMPLES
## Change in practice – a real-world example

<table>
<thead>
<tr>
<th><strong>Challenge</strong></th>
<th><strong>Solution</strong></th>
<th><strong>Result</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandate to reduce space</td>
<td>Employee Readiness Toolkit</td>
<td>An integrated and collaborative mobile workforce</td>
</tr>
<tr>
<td>Consolidation of 6 offices to 1 in 1 year</td>
<td>Transformation readiness web portal</td>
<td>$3 billion in space saving costs</td>
</tr>
<tr>
<td>6,000 employees affected</td>
<td>Transformation Champions Agent Network</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Closed monitoring and continuous improvement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transition to a virtual workforce</td>
<td></td>
</tr>
</tbody>
</table>
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. Establish executive sponsor(s)
   - Lead the change from the top
   - Get your leadership team on the same page – no public detractors
   - Let your organization know this matters to you personally
   - Consider engaging your board
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. **Establish executive sponsor(s)**
2. **Establish a change agent network**

- Pick this group of select individuals with additional responsibilities in implementing change
- Use them to filter information through the organization
- Have them collect feedback
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. Establish executive sponsor(s)
2. Establish a change agent network
3. ID all affected stakeholders

- How does this affect each group?
- Tech Ops, programming, traffic, development, on-line, admin
- Make sure each group is considered
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. Establish executive sponsor(s)
2. Establish a change agent network
3. ID all affected stakeholders
4. Establish change resources

- Develop print materials, webinars, infographics, videos, etc.
- Share with all affected stakeholders
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. **Establish executive sponsor(s)**
2. **Establish a change agent network**
3. **ID all affected stakeholders**
4. **Establish change resources**
5. **Ongoing communications**

- Keep communicating
- Use all available resources (meetings, town halls, emails, internal website, etc.)
- Share good and bad news
- Encourage questions and feedback
Change Management Example: ATSC 3.0

AFTER you’ve established strategic and implementation plans...

1. Establish executive sponsor(s)
2. Establish a change agent network
3. ID all affected stakeholders
4. Establish change resources
5. Ongoing communications
6. Recognition

• Demonstrate success and early wins
• Publicly acknowledge your staff
• Consider rewards programs
• Share recognition across all stakeholders
MANAGING THE COMPETENCY TRANSITION
The next 10 Years

Considerations:

• How do we ensure employees are trained on the latest standards and technologies?
• How do we ensure our company is positioned to attract new talent?
• How do we ensure consumers have access and understand new standards and technologies?
Competency Transition

Build, buy, or both?

Formal training
  • Generic
  • Media specialized

Testbeds, sandboxes & pilots
Integrity & values are keys to talent acquisition & retention – especially in times of disruptive change

…in looking for people to hire, you look for three qualities: integrity, intelligence, and energy. And if you don't have the first, the other two will kill you…

-Warren Buffet
### M&E company culture impacts employees

Fortune 500 Media and Entertainment Organizations are less likely to include “Integrity or Morals” in Core Values:

<table>
<thead>
<tr>
<th>Core Value</th>
<th>M&amp;E Organizations</th>
<th>Other Fortune 500 Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Integrity</strong></td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td><strong>2. Quality</strong></td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td><strong>3. Innovation</strong></td>
<td>28%</td>
<td>39%</td>
</tr>
<tr>
<td><strong>4. Focus on Customer</strong></td>
<td>32%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: Eagle Hill Consulting Fortune 500 Core Values Analysis
Disruption amplifies the need for core values

THERE’S NO BEATING DISRUPTION WITHOUT KEY CORE VALUES
Disruption in the media and entertainment space is addressed by four core values:

1. **Innovation**
   which both creates and answers disruption

2. **Quality**
   which drives competition and, to a lesser extent, demand

3. **Integrity**
   whose expression informs how all core values are acted upon

4. **Focus on Customer**
   which motivates the organization to deliver value

Joseph Schumpeter called disruption “creative destruction.” Peter Drucker asserts that it is a fountainhead of opportunity, “normal and healthy.” When managed from a foundation of core values, disruption can lead to more effective expression of those core values and their products including market share and profit.
3 Strategies for unlocking core values

**How-To #1:**
Showcase “Our Common Cause”

**How-To #2:**
Really Learn About the Other Teams

**How-To #3:**
Swap “Jobs” for “Roles”
Questions?
TO FIND OUT EVEN MORE, VISIT eaglehillconsulting.com OR CONTACT JOHN MCCOSKEY

John McCoskey
Technology, Media & Entertainment Industry Executive

+1.303.619.1823 | jmccoskey@eaglehillconsulting.com
@John_McCoskey | www.linkedin.com/in/johnmccoskey/