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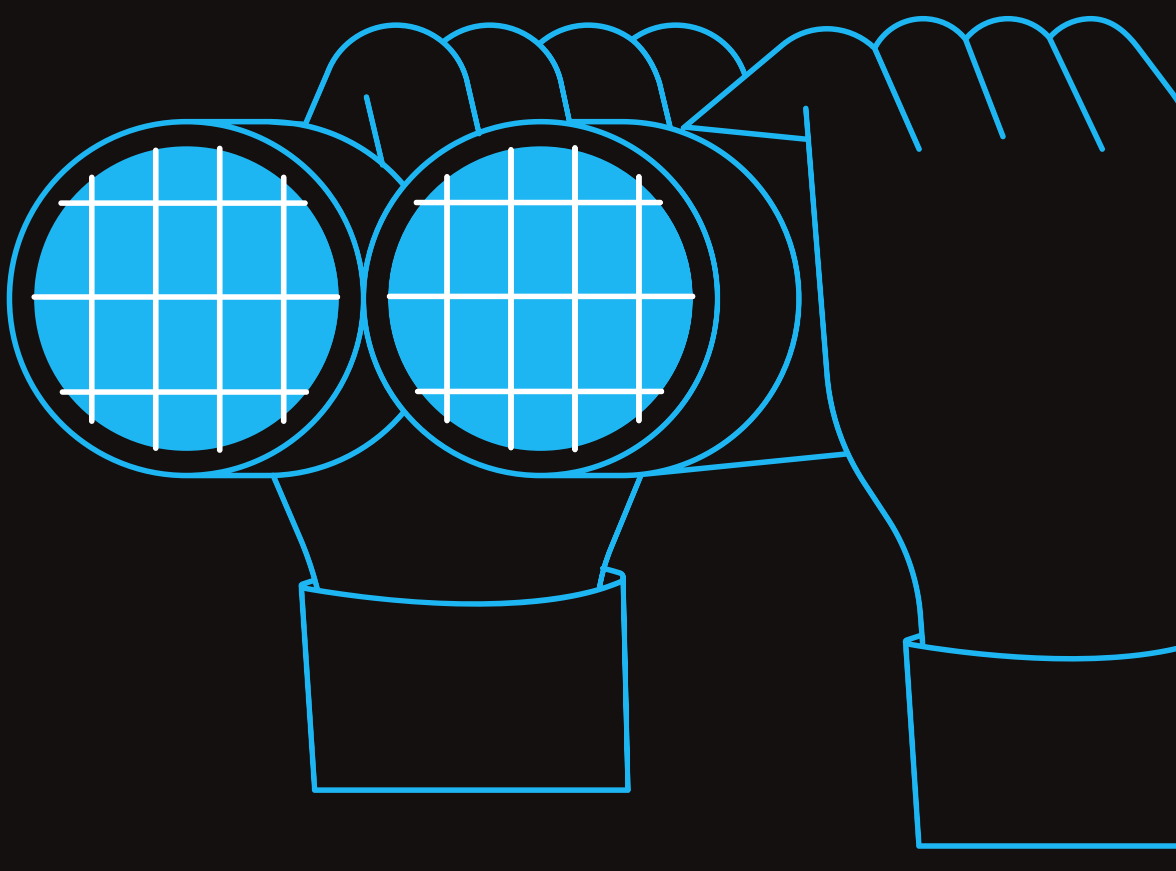
Avoiding HR obstacles



The 5 typical change management mistakes HR makes – and how to prevent them

Flip

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Introduction: Change management – why it's so important, and what 'good' looks like

Rapid-fire tech evolutions, global crises, and new ways of working are forcing companies to be more agile than ever before. In a quickly-evolving world, the difference between winners and losers is our ability to adapt.

For businesses in the UK and further afield, this means one thing above all: we can't just 'manage' change, we must actively embrace it in order to succeed. This is just as true for small businesses and midmarket firms as it is for global enterprise players.

What constitutes change varies wildly. It may come in the form of a strategic realignment, new tools and technologies, or a cost-cutting headcount reduction. As business change can impact every area of the organisation – structures, strategy, processes, corporate culture, and more – it's vital that we implement a structured change management process. A core component of that process is HR.

As business change can impact every area of the organisation – structures, corporate culture, internal communication, and more – it’s vital that we implement a structured change management process. HR plays a crucial role in that process.

One figure clearly shows how much work still needs to be done:

54%

of managers and employees surveyed do not see any practical application of change management measures in their direct work environment (Horvath Partners)

To reduce this number, change managers must work hand in hand with HR managers. On the one hand, it’s about taking the right measures to master the change. On the other hand, all employees must be involved and empowered to actively embrace changes.

In this white paper, you will learn about the top five mistakes HR managers make in change management comms, and discover how to avoid them yourself.

"The secret of change is to focus all of your energy not on fighting the old, but on building the new."

– Socrates

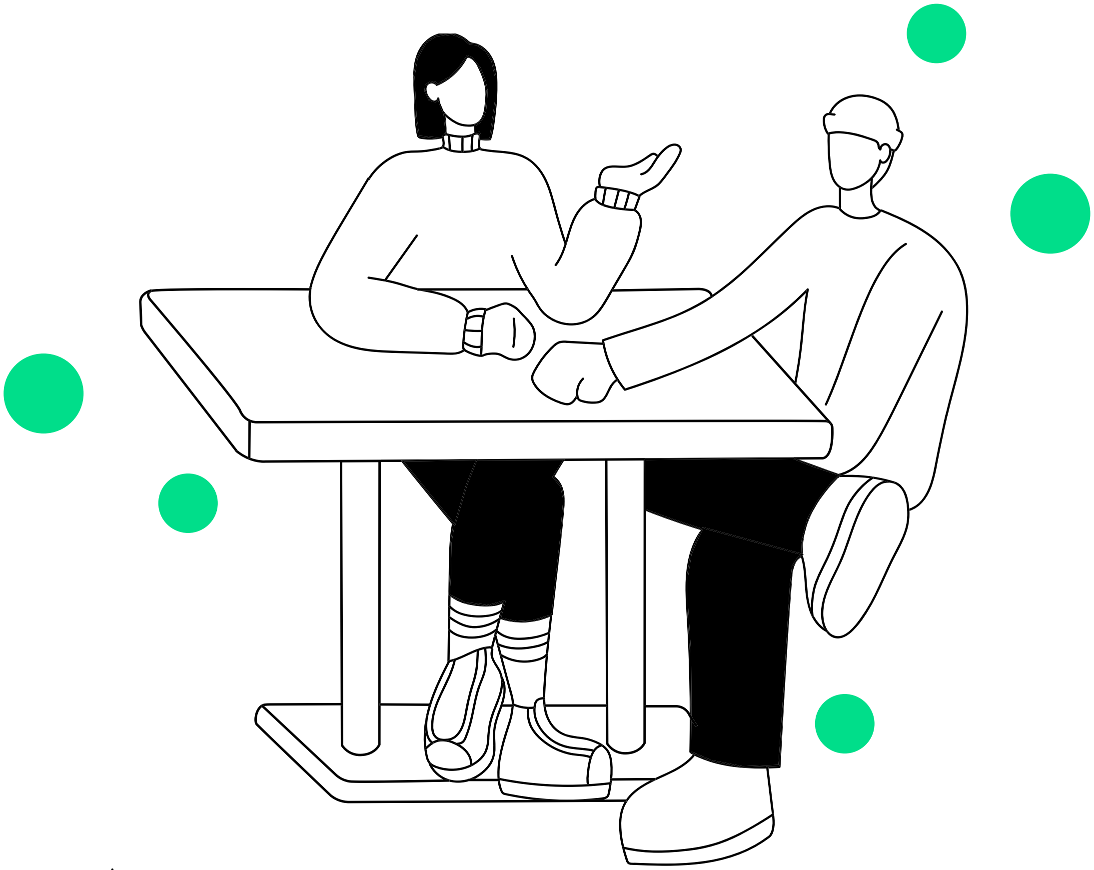
HR and change: 4 facts you should know

1. 45% of employees are burned out due to changes in their own organization.
(Source: Gartner)

2. Only 34% of all change initiatives are successful.
(Source: WalkMe)

3. 95% of managers are not fully aware of their responsibility to actively involve employees in changes.
(Source: Horvath Partners)

4. 48% of the more than 500 respondents to a German PR survey believe that one of the reasons for the failure of change communication is that it lacks the character of dialogue.
(Source: Trendreport newsaktuell)



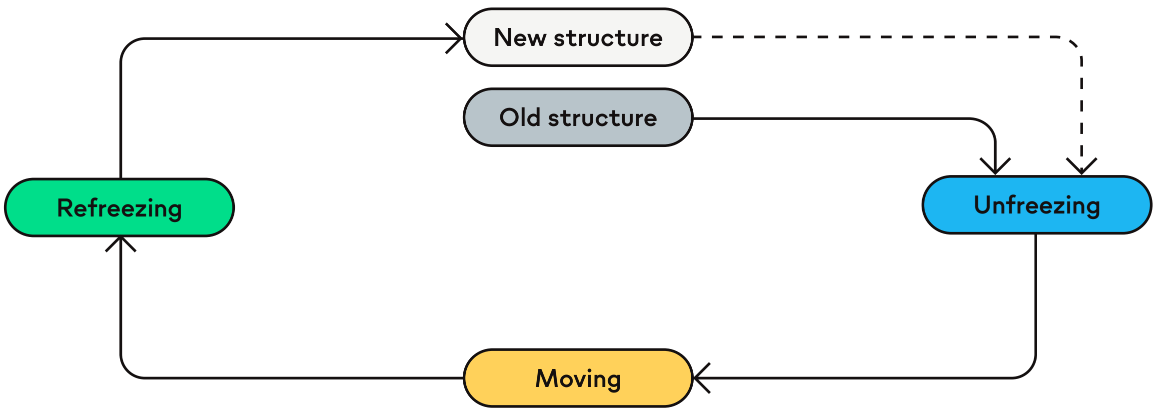
Back to Basics: What HR managers *need* to know about change

In a nutshell, the basic principles of change management are understanding, planning, implementing, and communicating change. The science surrounding this topic is also based on these principles.

Having a strong understanding of where these principles came from will help you understand how you can apply them today. So before we get to the most common mistakes, let's take a moment to look over the shoulders of two important change management researchers: social psychologist Kurt Lewin (1890 – 1947) and Harvard professor John Kotter (1947-). Both scientists laid the foundations for modern change management with their models.

Kurt Lewin's 3-phase model

Even though the concept of change management was far from established at the time, Kurt Lewin's three phases from 1947 are still regarded today as a fundamental model for change in social groups:



1 Unfreezing

The first step in this phase is to create awareness of the upcoming changes and, in the corporate context, to involve managers and employees. Communication plays a major role here. Internal communicators are not only responsible for communicating the change itself but also for disclosing the benefits of the changes.

2 Moving

In the second phase, the change actually happens. New processes are established, responsibilities are clarified, and ideas are tested. Important: change managers must constantly monitor the changes in order to be able to make tweaks on short notice. We are in an agile environment.

3 Refreezing

The third and final phase ensures that the changes implemented in phase two become established and that no part of the organisation falls back into old patterns. Tests have been run and certain procedures have been defined to improve the company's performance.

Source: Kurt Lewin: Frontiers in group dynamics

John Kotter's 8-step model

Anyone who deals with change management will encounter Harvard professor John P. Kotter's ever-popular 8-step model. Based on Lewin's three phases, Kotter's model provides a concrete roadmap directly tied to company tactics:

1. Create a sense of urgency:
- Analyse the market and competitive situation
- Recognise crises and opportunities
- Communicate the need for change

2 Form a strong leadership coalition:
- Put together a change management team
- Build trust
- Develop goals

3. Create a vision:
- Shared understanding of the changes
- Motivation of employees
- Basis of the change strategy

4. Communicate the vision:
- Simple, visual communication of the vision to employees
- Repeat messages
- Focus on transparency

5. Empower employees and reduce resistance
- Identify and eliminate inefficient processes
- Encourage staff to come up with new/ unconventional ideas
- Change structures that do not fit the vision

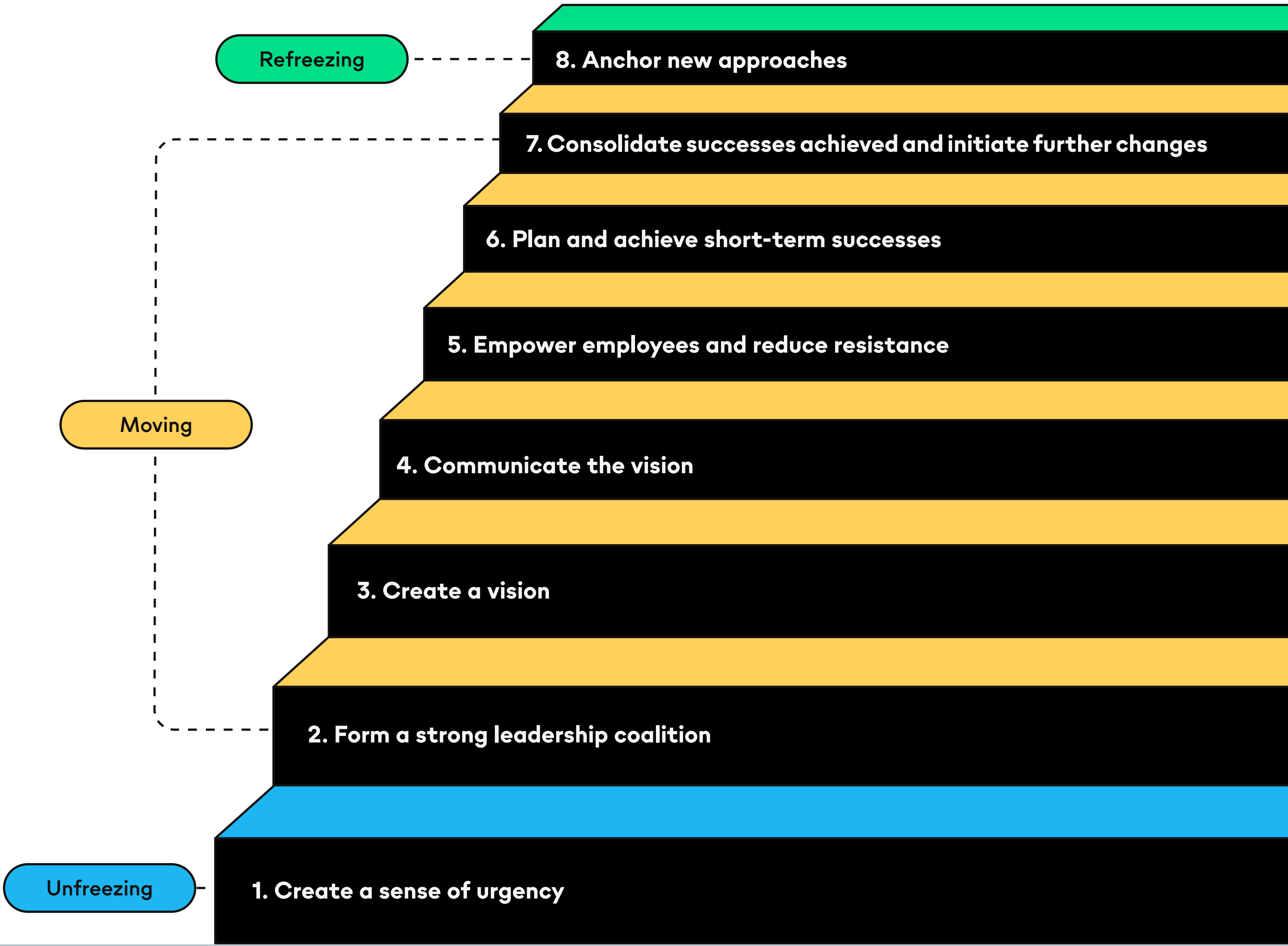
6. Plan and achieve short-term successes:
- Define specific performance improvements
- Secure and communicate initial successes
- Reward involved employees

7. Consolidate successes achieved and initiate further changes
- Maintain functioning processes
- Understand change as a state
- Focus on employees who (can) implement the vision

8. Anchor new approaches:
- Demonstrate the links between change measures and corporate success
- Establish a culture of change and integrate new values
- Anchor new processes and structures

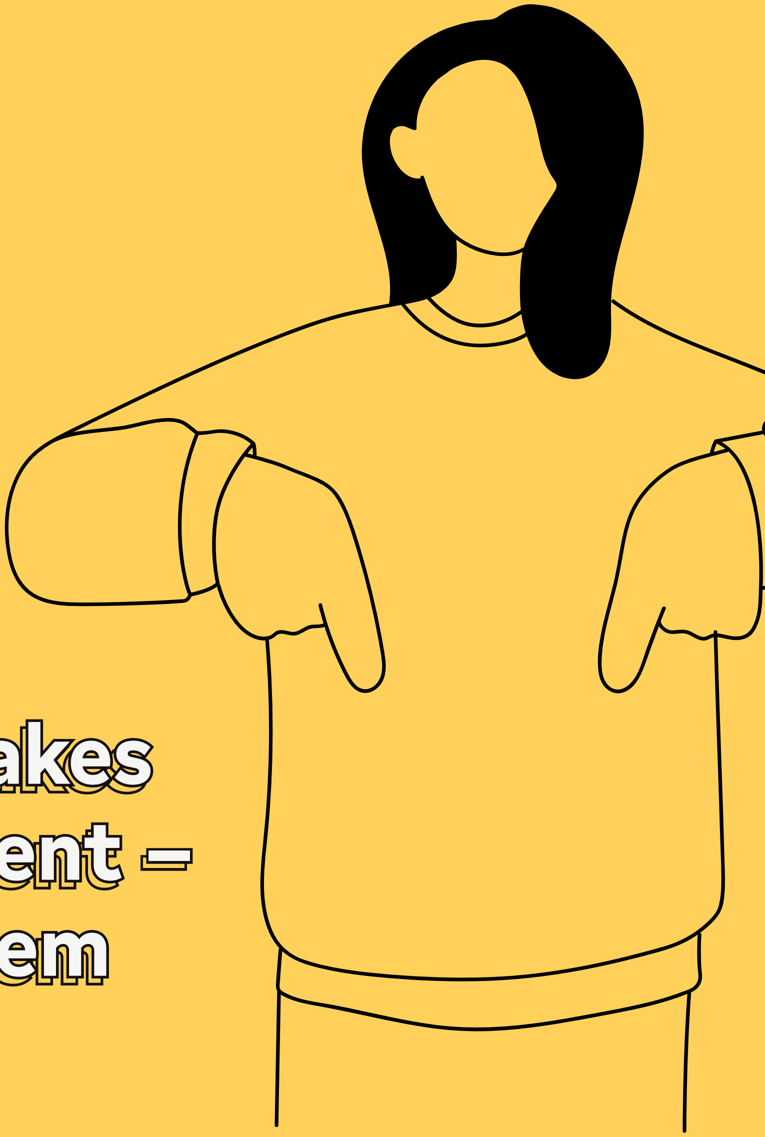
Source: John Kotter: Leading Change:
Why Transformation Efforts Fail

What the models mean for today's change management



Lewin's and Kotter's models are still relevant today. Where Lewin focuses on psychological aspects and smooth change, Kotter stresses team dynamics – making sure managers are involved, and embedding change into corporate culture.

Using both in combination is particularly useful for today's change managers, board members, and executives. Lewin's triad of 'Unfreezing', 'Moving', and 'Refreezing' is also clearly reflected in Kotter's eight stages.



5 essential HR mistakes in change management – and how to avoid them

Even if you understand why change management matters and have swotted up on the theory, you are not immune to slip ups. To help, we've summarised the biggest HR mistakes in change management in this chapter, along with our recommendations for how to avoid them.

1

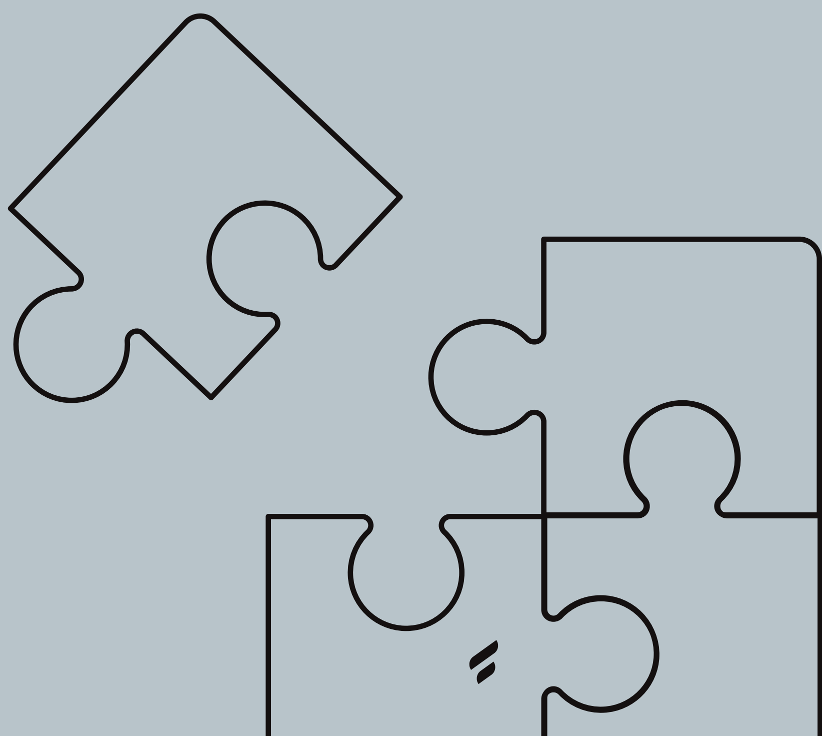
You have limited knowledge and lack resources

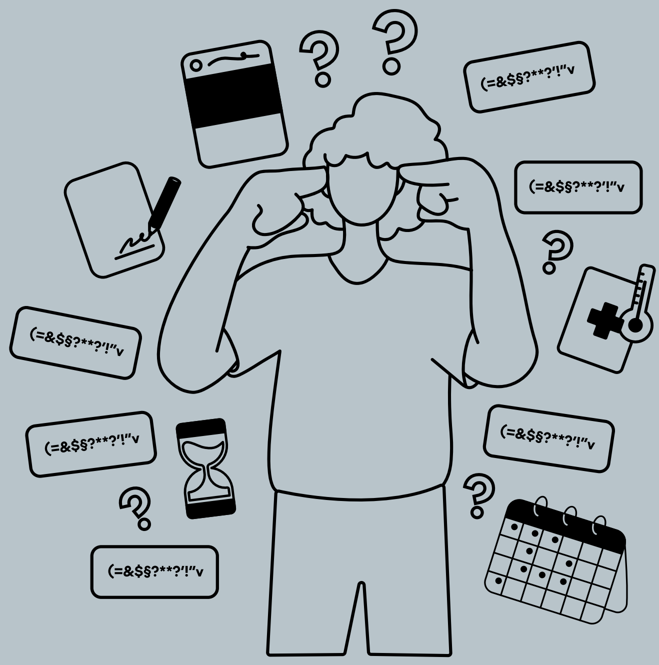
To realise the true value of change management, both change managers and HR managers must first internalise the basics (see chapter 2). Anyone who knows what it means to lead change in an organisation can imagine the far-reaching consequences that occur if no one feels responsible for the changes.

Only when there is clarity about the importance of change management will companies free up financial resources for it. They must know that the work of change managers is not something that is added 'on top' of day-to-day business. As the pace of evolution continues to accelerate, experts in this field will become some of the most important people in an organisation. One of the most serious mistakes is to ignore these facts – and to make the change seem smaller than it is.

Avoid this mistake:

- Provide sufficient budget (depending on the scope of the change)
- Hire experts for change management
- Consider opportunity costs ("What could it cost us if we approach the change unprofessionally?")





2

You fail to simplify your process

It doesn't matter if you're a change manager, an HR manager, or an internal comms professional – in turbulent times, everyone asks the same question: How can we successfully master this change?

There is no single correct answer. But there are many adjustments you can make to improve the chances of a successful change.

One of the levers you can pull: simplifying internal processes. Shorter paths within an organization ensure that less time is wasted and employees can maintain focus on what truly matters. An employee app can streamline processes, for example, by bringing the shift schedule of teams in logistics, retail, or production to the smartphones of all employees.

Avoid this mistake:

- Digitize paper-based processes as quickly as possible
- Make essential tools like shift planning accessible to everyone
- Optimize your employee platform for mobile users too

3

You do not reach all your employees

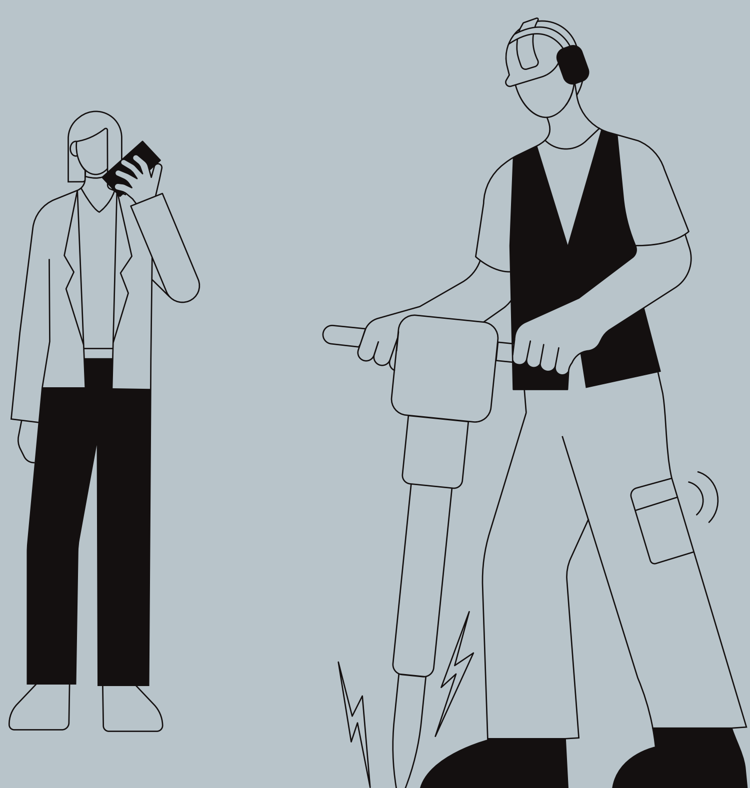
The statistics don't lie[8]: Companies that are most successful with their transformations are doing more than others to reach their frontline employees – those whose day-to-day work doesn't involve sitting at a desk but working at the supermarket checkout, in the warehouse, or on the production line.

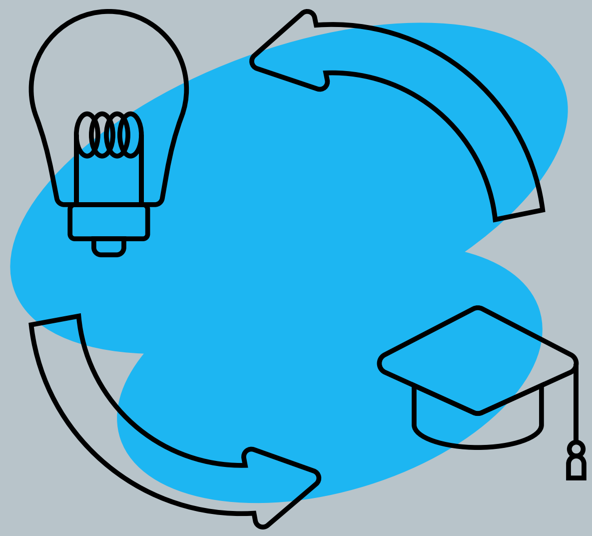
Only 36% of operational employees[9] who report failed change projects in their company say that the goals were clearly communicated. Of those who report successful projects, the figure is[10]. This shows, once again, that if change is to be successful, you must have a strong infrastructure that enables transparent communication.

This not only means that the messages are clear and comprehensive. It also means that all employees receive these messages. In reality, things look different in many companies. The „classic" social intranet is designed for employees in the office; frontline employees are left out. To really keep everyone informed, organisations cannot avoid a mobile solution, such as an employee app.

Avoid this mistake:

- Think about the frontline employees
- Tailor the content to suit the target group
- Establish a mobile tool that all employees can use





4

You don’t encourage internal knowledge transfer enough

Internal knowledge transfer is one of the most important conditions for an organization to develop further. This is because the potential of individuals often only unfolds when their specialist knowledge, skills and, above all, ideas are shared with the entire organization.

It is therefore crucial to create a platform that promotes this internal exchange and actively encourages suggestions and feedback.

For example, this knowledge transfer can begin even before you hire a new employee. With the help of a modern employee platform, you can provide onboarding materials and important information about your company before the new colleague’s first day. This makes processes more efficient — and immediately gives the newcomer a feeling of safe arrival.

Avoid this mistake:

- Identify potential in the workforce
- Establish a platform that facilitates the exchange of knowledge
- Make internal wikis and databases easily accessible to everyone

5

You do not regularly review and revise your measures

For changes to be successful, you should evaluate new measures regularly (approximately every two months is recommended) and comprehensively so that you can make timely adjustments. Don't be too critical at first – after all, new production processes for a car manufacturer, for example, take time to run smoothly. If you don't see any improvements after several reviews, it's time to have a rethink.

The time between assessments is more important than the overall duration of the change project.[11], that the likelihood of change initiatives encountering problems increases exponentially if the time between assessments exceeds eight weeks. However, the length of these periods depends on the project's complexity.

Avoid this mistake:

- Assess the complexity of change initiatives
- Evaluate projects at least every two months
- Maintain flexibility

Trends, tools, technologies: The change management of tomorrow

Trends

The way in which change is organised and managed is itself constantly changing. It's vital that those involved in change management keep an eye on current trends, and never stop asking themselves 'what will change management look like in the future?'

Going forward, companies will have to focus even more strongly on agile collaboration and ensure that all employees see change as a state and not a phase. Leveraging more data will help uncover potential areas for further evolution and maintain momentum of change by demonstrating its results. These principles must be embedded in the corporate culture.

How will this work? In the future, it will be important to adjust the framing of change. Employees should not be made to feel that change is inherently negative and stressful. Rather, board members, communicators, and HR managers must emphasise the opportunities that change opens up for both the company and the employees themselves. These include new skills and knowledge, more efficient work, and improved team structures.

Tools & Technologies

As we seek to change faster and more efficiently, new tools and technologies to enable change are emerging.

Digital platforms are the best way to improve employee engagement with the change management process (and with the company more generally!) – by bundling all important tools into one platform and facilitating easy two-way communication, they avert the possibility for change turning into chaos.

Employee apps such as Flip are particularly effective because, unlike a social intranet, they are designed for mobile use. This means that a production employee can view their shift schedule at home, or a nurse can submit leave while on the move. Processes become cheaper, faster, and simpler – advantages that are worth their weight in gold for companies in times of change.

Case study: How toom manages change &growth

Businesses often pursue change in the name of growth, and growth itself can bring widespread change. While a sign the business is doing well, this growth can be challenging; as knowledge, opportunities, and new hires increase, processes become more complex and communication more difficult.

Toom, the German DIY giant with over 330 stores and almost 20,000 employees, recognised this early on – and has been driving change since 2021 with the help of Flip's employee app. The company is continuously pushing ahead with its own expansion, adding more stores in Germany every year without the fear of growing pains.

With Flip, toom has established a platform that enables target group-specific communication and that bundles calendar, task management, and HR applications such as holiday requests in one app. The company distributes information via groups and channels tailored to the department and location so that all employees receive exactly the messages they need.

The result? Communication is seamless, allowing all locations to share knowledge, feedback, and best practices in the 'toomunity'. And with ≈95% of employees using the app, toom can easily reach frontline workers with internal communications to provide updates and clarity – the perfect prerequisite for successful change management.

"There is a huge amount of transparency from management to the various departments in the logistics areas and right through to the individual stores."

– René Haßfeld
CEO toom

Conclusion: Mistakes are human – but not inevitable

While change can be challenging, it also means improvement. As an organisation changes, new opportunities for growth arise – for the business, and for its employees.

The delicate environment of rapid change risks mistakes. New tasks, tools, and processes will require every employee to adapt.

But with the right knowledge and tools, these challenges can be overcome. Managing directors, change managers, internal communicators, and HR managers must understand why change management is important, and what it takes to make change work. Embedding a 'change is growth' mindset in the team, communicating transparently, and selecting the right tools and technologies to reach and support employees offer the very best chances of success.

How much is disconnected frontline communication costing you?

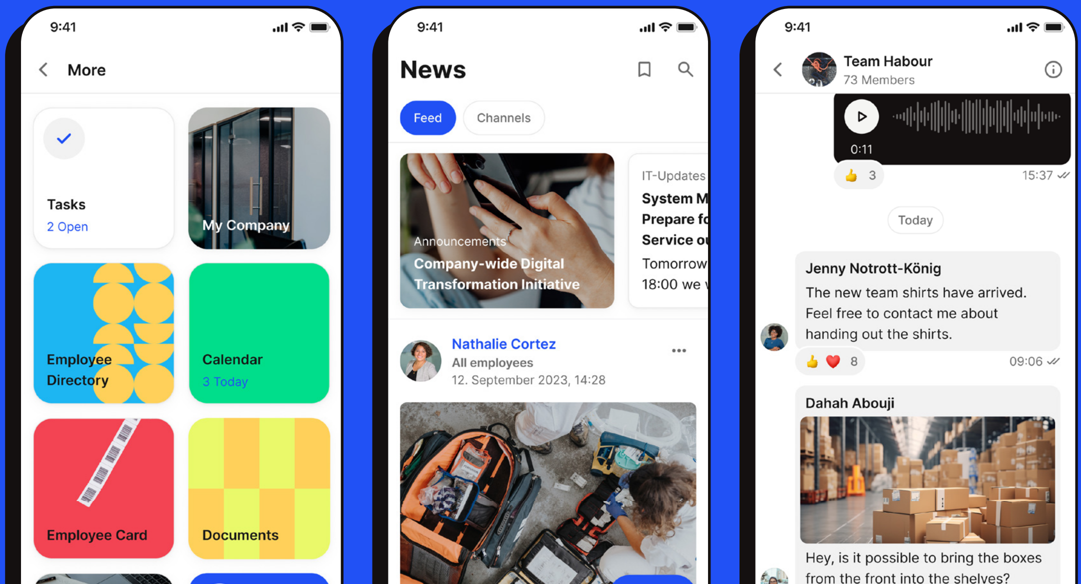
Get a line-by-line estimate of how much money your organisation could save due to employee retention, streamlined communications, process improvements, and more! All it takes is a few clicks.

Access our free cost savings calculator →

About Flip

Flip is the employee experience platform that heavyweights like Bosch, Porsche, and McDonald's Germany use to reach and rally their whole company, from head office to the shop floor. It's renowned for its super easy-to-use white-label app, which connects employees with the right people, news, and knowledge in an instant, and makes everyday tasks like coordinating shifts and sharing success effortless.

Get to know the Flip App →



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