This document is written in two parts:

PART 1
1.1 Basic principles of change management
1.2 How must a change management approach be adapted for Afghanistan?

PART 2
Detailed change management approach for PFM Roadmap

Foreword - A note about the purpose and use of this document

Chapter 1 - Where are we now? - Understanding our environment
SWOT analysis
Environmental scan
Force field analysis

Chapter 2 - Where do we want to be? Setting out the vision
Creating a vision
Organisational culture analysis

Chapter 3 - How are we going to get there?
Implementing the PFM Roadmap
How do people react to change?
Stakeholder management
Four frames analysis
Risk management

Chapter 4 - How will we know when we've got there?
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Annexes
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PART 2  Detailed change management approach for PFM Roadmap

Foreword – Purpose and use of this document

This document has been prepared by the Change Management Adviser for the Strengthening Afghan Budgets (SAB) project within Ministry of Finance, during January 2011.

The role of the Change Management Adviser is to provide capacity development for Ministry of Finance, not capacity substitution. In other words, this technical assistance (TA) will provide coaching support to Deputy Minister Mastoor and his top team to enable them to lead and successfully implement the reforms set out in the Public Financial Management (PFM) Roadmap.

It is intended that the TA should both:
• Support Ministry of Finance in practical ways to complete the activities needed for successful management of change to implement the PFM Roadmap and
• Leave behind a permanent increase in generic change management capacity among the Ministry of Finance leadership team – so they are better equipped to plan for and successfully lead the next change initiative.

This change management plan is intended to be used as a work book. It explains general change management principles and translates them into the context of Public Financial Management reform within the government of Afghanistan.

Part 1 provides a brief diagnosis of change readiness, looking at both:
• Capacity/capability of the Ministry of Finance leadership to lead change and
• The change readiness of the target audiences for PFM reform.

The change readiness diagnosis is based on the Change Management Adviser’s (necessarily somewhat subjective) views gathered during a mission from November 2010 to January 2011. It could usefully be augmented with more objective data from one or more stakeholder surveys – ideas for which have been submitted separately.

This change management approach contains change management tools which need to be used by Ministry of Finance to produce outputs which will fill out the framework here1. Some of these were used during January 2011 to develop a vision for PFM reform; stakeholder analysis [change readiness assessment and to examine some of the causes change fails and how those may apply to PFM reform in Afghanistan.

A separate PFM Roadmap communications strategy has been prepared to complement this change management plan. The communications strategy is referred to at various points in this document and should be read in conjunction with this change management plan.

The Change Management Adviser will make periodic missions to Kabul to provide continued coaching and technical support to Ministry of Finance.

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1 For example, in Chapter 1 the tools are SWOT analysis and force field analysis; in Chapter 2, visioning exercise; in Chapter 3 stakeholder analysis, four frames analysis and risk management etc.
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CHAPTER 1 – WHERE ARE WE NOW?

Summary:

This Chapter describes tools and techniques that can be used to understand the current situation, or the starting point for change. It emphasizes the need – once this diagnosis is complete – to communicate it to stakeholders and refers to specific recommendations in the PFM Communications Strategy for how that communication should be done.

TOOLS PROVIDED: SWOT analysis; environment scan; force field analysis

Diagnosis of the current situation

1.1 Change management must start with an honest diagnosis of the current situation. If possible this should be conducted with a broad group of stakeholders, so that all of them recognize and accept the diagnosis. The description of the current situation should not be wholly negative – it is important to recognize what aspects of the current situation we want to preserve and build on as we move to the desired future state.

PFM Roadmap

1.2 The Roadmap already contains a diagnosis of the current strengths and weaknesses of the Afghan public financial management system:

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal framework</td>
<td>Lack of human capacity – too few civil servants with technical skills and work experience</td>
</tr>
<tr>
<td>Information and management systems</td>
<td>Incomplete coverage – only about 30% of donor funds estimated to come through government core budget</td>
</tr>
<tr>
<td>Annual budgeting within a medium term fiscal framework</td>
<td>Poor planning and forecasting - bias towards optimism in budgeting and implementation plans</td>
</tr>
<tr>
<td>Accounting and financial reporting</td>
<td>Poor coordination/communication of PFM reforms with different actors leading different agendas without necessary consultation with government stakeholders</td>
</tr>
<tr>
<td></td>
<td>Provinces – relations between budget units and their provincial offices need to improve</td>
</tr>
</tbody>
</table>

1.3 This analysis needs to be augmented by examining what in the external environment provides opportunities and threats for the Ministry of Finance in implementing the Roadmap.

SWOT analysis

1.4 A useful technique for understanding and diagnosing the current situation is the SWOT analysis (strengths, weaknesses, opportunities, threats). In a group, participants can discuss and identify the strengths and weaknesses within the system or organisation to which they belong and which they are trying to change; and the opportunities and threats that exist in the environment outside their organisation.

An EXAMPLE SWOT ANALYSIS is at Annex 2
PART 2  Detailed change management approach for PFM Roadmap

Environment scan

1.5 In conducting a SWOT analysis, it is crucial to have a sense of how your organisation interacts with the external environment, and ways in which that environment is changing. It is helpful to capture this visually, as in the diagram below:

1.6 The environment is not static, it is dynamic. Once the main features of the external environment have been identified you should see what dynamic forces each is applying to your organisation. In the diagram to the left

• customers might want to see utility prices reduced and supply improved
• regulators might want to reduce greenhouse gas emissions ...etc

Force field analysis

1.7 Another useful tool for understanding the current situation is the force field analysis. The desired change is considered as part of a wider environment, and the forces in the external environment which act upon it are identified. These forces can then be classified as either:

• Supporting the desired change or
• Opposing it.

1.8 There will also very likely be forces within the organisation that similarly either support or oppose the desired change. Once supportive and opposing forces have been identified, we can plan how to increase our chances of successful change. We have two options:

• To reduce the strength of the forces opposing the change
• To increase the forces pushing for change

1.9 Often the best solution is the first: trying to force change through may cause its own problems. People will be uncooperative if they feel change is forced on them.

An EXAMPLE FORCE FIELD ANALYSIS is at Annex 3

PFM Roadmap communications plan

1.10 Once the diagnosis has been completed it must be communicated – the people within the system who are expected to change must be convinced of why change is necessary and why it is necessary now. The PFM Roadmap communications strategy gives a number of immediate recommendations to help communicate the case for change, ie

• Ministry of Finance town hall meeting chaired by Minister or DM Mastoor to kick start the change process
• PFM Roadmap press release and wider publication of the document
PART 2  Detailed change management approach for PFM Roadmap

• Constructing a PFM section on the Ministry of Finance website.

CHAPTER 2 – WHERE DO WE WANT TO BE?

Summary:
This Chapter explains the importance of creating a vision of the desired future state, to motivate stakeholders to change.

TOOLS PROVIDED  visioning exercise, organisational culture analysis

Who needs vision?

2.1  Leaders of change need to have a clear and convincing vision of the desired future state to which they want to take the organisation. This vision needs to be realistic and tangible so that people understand and ‘buy into’ it. It must also be honest – to promise too much and deliver too little provokes cynicism and resistance.

What is a vision?

2.2  A vision sets out a picture of the desired future an organisation wants to create for the community in which it operates. A vision statement is often a one or two page description of what we want to create. It is a story written in the present tense as if that envisioned reality had already come into existence. There is no set formula for a vision statement – use your heart and gut as a guide. Does the statement inspire you? Will it guide your actions? Then it’s a good one. Some examples are [below] – judge for yourself how powerful each one is.
PART 2 Detailed change management approach for PFM Roadmap

**USAID**
Ensure the strategic and effective use of foreign assistance resources to respond to global needs, make the world safer, and help people better their own lives by supporting programs that:

- Advance human rights and freedoms;
- Promote sustainable economic growth and reduce widespread poverty;
- Promote and support democratic, well-governed states;
- Increase access to quality education, combat disease, and improve public health;
- Respond to urgent humanitarian needs;
- Prevent and respond to conflict; and
- Address transnational threats.

<table>
<thead>
<tr>
<th>Toyota Vision Statement</th>
<th>Apple Vision Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>To sustain profitable growth by providing the best customer experience and dealer support</td>
<td>Apple is committed to bringing the best personal computing experience to students, educators, creative professionals and consumers around the world through its innovative hardware, software and Internet offerings.</td>
</tr>
</tbody>
</table>

**Google Vision Statement**

To develop a perfect search engine

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Creating a vision

2.3 Some of the vision for the desired future state has already been set out in the PFM Reform Roadmap which says:

This Public Financial Management Action Plan will set out how the Government intends to strengthen the ability of Government to effectively design and implement programming while demonstrating the highest standards of transparency and accountability. It is focused on three key aims: Strengthening the Budget in driving effective delivery of key priority outcomes; Improving Budget Execution; and Increasing Accountability and Transparency. A key cross-cutting theme – critical in the implementation of all of these goals – is increasing the capacity of line-ministries to implement programs effectively and efficiently.

2.4 This is a starting point, but it is not enough. The vision should be developed further to:

- Explain how things will be different, better, once change has been accomplished
- Be real to stakeholders – practical and tangible, so they can see how change will affect them ("What’s in it for me?")
- Be motivating and inspire action. Vision can empower both leaders and followers to implement change. [to be done in workshop 9 Jan]

An exercise to create a shared vision is at Annex 4.
Organisational culture – vision for change

2.5 One aspect of change management which is sometimes overlooked is the need for culture change. If an organisational culture does not support and align with the change being introduced, there is a risk that change will not be achieved. Or it might be achieved and later reversed.

2.6 You may want to analyse the current culture and compare this with your vision, to see which aspects support and which oppose that vision. Those aspects which are supportive can then be nurtured and aspects which are inimical to change can be systematically tackled.

An EXAMPLE is at ANNEX 5.

How to express the vision

2.7 Finding the right metaphors and right visual images to convey a vision will depend on the creativity of those leading change and on their understanding of the culture and mindsets of the people whose behaviour they want to change. Language and images do not always travel well over geographical borders and it is important the vision is developed by the people who will own and communicate it, not imported wholesale from another context or another country.

Communicating the vision

2.8 Change is not possible unless people are willing to help, so communication is key for change management. To create that willingness people need to feel:
• treated with respect by having the reasons for and implications of change clearly spelled out
• valued as individuals by being asked for their views and reactions and
• honoured as human beings by being told the truth – the costs of change as well as the benefits should be made plain. Nobody wants to feel they have been ‘taken for a fool’.

2.9 It is said that a classic error in change management is to under communicate the vision by a factor of ten. Speeches and newsletters help communicate the vision, but the most powerful medium is the behaviour of the strategic leaders in the organization. Very visible leaders must behave in ways that are consistent with the vision.

PFM Roadmap communications strategy

2.10 The Roadmap communications strategy includes recommendations for action that will help change leaders to communicate the vision for PFM reform, both inside and outside Ministry of Finance:
• town hall meetings with Ministry of Finance staff
• press release of Roadmap and presentation to government and external stakeholders
• regular gatherings of staff from line ministries who need to implement change, to enable them to feel ownership, to exchange lessons and to solve problems as they arise.
• Kabul Reform Club to create a cohesive group of influential allies for PFM reform.
CHAPTER 3 – HOW ARE WE GOING TO GET THERE?

Summary:

This chapter sets out the elements of a change management plan:
- Stakeholder management
- Communications
- Capacity building/training

It considers how people react to change and suggests ways of tackling resistance to change.

TOOLS PROVIDED Stakeholder mapping; stakeholder resistance survey; Risk management

Implementing the PFM Roadmap

3.1 This change management plan supports implementation of the PFM Roadmap, but will not replace or duplicate the existing PFM implementation plan. That implementation plan already identifies components, sub-components and responsible departments and timescales.

3.2 This change management plan complements the existing implementation plan by providing a set of principles and underlying philosophy to govern how the activities in that implementation plan should be conducted.

The elements of a change management plan

3.3 Since change management is fundamentally concerned with changing human behavior, this change management plan focuses on ways in which Ministry of Finance can bring about the desired changes in its target audiences. The three key elements are:
- Stakeholder engagement, primarily through
- Communications and
- Capacity building/training

3.4 The speed and sequencing of change is important. A realistic and achievable timetable should be set – particularly for system-wide change such as that envisaged in the PFM Roadmap. It is also good tactics to plan for and create short-term wins. Most people won't go on a long journey unless they can see tangible short-term payoffs. Change leaders need to look for ways to obtain clear gains in performance, however small, and reward people who are involved through personal or public recognition, or by using formal reward systems.
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How do people react to change?

3.5 Empirical research over a number of years has enabled a good understanding of how human beings react to change. A widely used model is the Fisher change curve – this model is used by Ministry of Finance Reform Implementation Management Unit (RIMU).

![The Process of Transition](image-url)

© 2000/3 J M Fisher. Free use for personal and organizational development, provided this notice is retained. Not to be sold or copied for general publication. A free resource from www.businessballs.com.

3.6 Fisher shows how people will pass through a sequence of emotions – anxiety, happiness, denial, fear, threat, guilt, depression and then finally disillusionment, acceptance or hostility. It reminds us that not everybody will be willing to change.

3.7 More generally, change can cause people to feel incompetent and powerless and to lose self-confidence. Change can create confusion because it alters the stability of roles and relationships and people can fear that chaos will follow. People also experience a sense of loss as and this can generate interpersonal conflict. We need to be able to understand and respond to these emotional reactions otherwise people will resist change. Sometimes, people just need to express their emotions and then they will feel better able to accept the change.

3.8 Change can create loss of meaning and purpose, which is why it is crucial for those leading change to provide a clear and convincing narrative of why the change is necessary and how things will be better once the change is achieved. If valued old ways of working are going to disappear, this should be acknowledged rather than ignored.
3.9 To achieve the changes set out in the PFM Roadmap, we need to get various groups of stakeholders to change the way they work and even their attitudes towards their work.

3.10 As people contemplate change, they will ask themselves two questions – “Is changing my behaviour worth it?” and “Can I do it?” Stakeholder engagement or management should try to answer both those questions for the key stakeholder groups.

3.11 We need to identify which stakeholder groups are a priority for our attention. We can do this by stakeholder mapping – showing on a matrix which groups have low or high influence and which have a low or high interest in the change. We can then focus time and effort where that will have biggest results, with those who have High Influence and High interest in the change.

3.12 Stakeholder management requires us to respond to the specific concerns of different stakeholder groups. One way of planning activity is to identify for each stakeholder group:

- what aspects of the change will be threatening and unwelcome to them
- what arguments we might present to try to persuade them of the benefits of change.

An example is given below, based on a desired change to reduce traffic flow in Kabul city:
Using the four frames to support change management

3.13 We can use the four frames to plan actions to support sustainable change and to identify likely barriers to change.

3.14 In any change process it is important to get at least tacit support from middle managers – and in Afghanistan this is crucial since many staff will pay more heed to communications and signals from their direct line manager than they will from more senior management.

3.15 To use the four frames as a planning and diagnostic tool, simply take each of the frames in turn and answer the questions:

- Are we taking action to produce results in this frame that support change?
- What are the factors in this frame that might lead to resistance to change?

Overcoming resistance to change

3.16 Resistance to change is a normal human trait. Failure by the change leaders to understand the causes for and results of resistance will lead to delays and even failure in implementation. It might be decided to survey stakeholders to get firm data on levels of and reasons for resistance to change. [An example is given at Annex 6.]

3.17 The most important thing to remember in the face of resistance to change is to communicate, and for that communication to be a two-way process. Change leaders can:
- Hold face to face meetings with affected staff
- Encourage feedback – and ensure concerns or questions are dealt with honesty and promptly. People need to feel their objections have been listened to and considered, even if ultimately those objections are over-ruled.
- Be open about plans, problems and progress – this helps to reduce reliance on rumour
- Allow local business units to participate in planning the details of implementation
- Ensure there are local champions of change in each business unit who can lobby for the changes and report back on problems.

Why does change fail?

3.18 Before embarking on risk management, it is helpful to understand some of the reasons that change programmes fail to achieve their desired end state. Taking lessons from
PART 2  Detailed change management approach for PFM Roadmap

international examples and applying these in the Afghan context, the top reasons for failure are suggested [overleaf]: [these could be validated in final workshop on 15 Jan]

- Stakeholders not convinced of the case for change – “this might work elsewhere but we are different and our organisation is an exception”
- Stakeholders not convinced of why they need to change now – no sense of urgency
- Stakeholders believe if they resist for long enough, the change will go away
- Emotional commitment to, or financial benefit from, old ways of doing things
- Organisational inertia – a culture of tradition not innovation; inability to look to the future – which is why it’s important to provide some quick wins
- Organisational exhaustion – too much change in too short a period
- Organisational overstretch – the change may be too big a leap. Incremental change is easier to implement than revolutionary change
- Power structures support the status quo and self interest inhibits change
- Lack of teamwork – different parts of the system battle against each other
- Lack of knowledge/skills to implement the new ways of doing things.

Risk management

3.19  As well as planning for what we want to happen during the change journey, we need to be prepared for what we do not want to happen – this is risk management. The essence of risk management is a simple process of:
- Identifying what might go wrong (the risks)
- Analysing the likelihood and impact of each risk and ranking risks in priority order
- Planning actions to reduce the likelihood and/or reduce the impact of highest priority risks

An example risk management framework is at Annex 7

SECTION 4 – HOW WILL WE KNOW WHEN WE’VE GOT THERE?

Summary of this section

This section explains the purposes and importance of regular monitoring of progress along the change journey and of final evaluation once the change has been completed.

Monitoring

4.1  Once the desired future state has been identified and before the change process has begun, a number of indicators of progress towards this desired end state should be determined. The indicators should be readily measurable (preferably quantifiable) factors which can be monitored to show whether we are making progress towards our desired end state. Often indicators will be chosen which measure progress in terms of outputs produced.

4.2  As well as identifying indicators for each main area in which change is desired, it is good practice to set targets. The targets provide a statement of intent, declaring the specific degree of
progress which is expected by a specified time. Targets should be SMART (specific, measurable, achievable, realistic and time-bounded). Sometimes stretch targets will be chosen. These are deliberately ambitious and may not be achieved, but striving to achieve them can be helpful in providing strong motivation.

**PFM Roadmap indicators**

4.3 The Roadmap includes three key indicators by which the Government aims to measure the successful implementation of these aims through three key indicators by July 2011:

| 1. Medium-term fiscal framework (MTFF) has been strengthened to better forecast, plan and prioritize both expenditures and domestic revenues, to assist working towards fiscal sustainability. |
| 2. Budget execution has increased by 10-20% annually over the medium-term (compared to the amount of executed budget for the previous year) through focused capacity development in planning and procurement practices at the provincial level and in line ministries. |
| 3. Afghanistan’s rating in the Open Budget Index has improved to 30% for 1390 by improving communication across Government bodies, as well as with civil society organizations, improved resources for both internal and external audit, and increased use of financial reporting through AFMIS. |

4.4 Further indicators and targets should be developed to guide progress after July 2011.

**Milestones**

4.5 Setting milestones is important for project management and for change management. In a mechanistic view, we need to measure speed and direction of progress. But milestones are important too from a psychological point of view – it gives satisfaction and maintains motivation to see the progress that is being made.

**Monitoring mechanisms**

4.6 It is crucial that those who are responsible for achieving targets are fully consulted while those targets are being set. They also need to be held accountable through regular, predictable and transparent monitoring. It is good practice to make the results of monitoring available to all stakeholders. Whether monitoring provides good news or bad news, leaders of change must be prepared to take responsibility.

4.7 In some cases, monitoring may indicate serious problems with implementation. In such circumstances, leaders of change then need to decide how to respond. It may be necessary to reprioritize, to assign more resources to particularly difficult problem, and/or to extend deadlines or scale back ambitions. The only wrong response to persistently bad monitoring results is to ignore them.

**Evaluation**

4.8 Evaluation provides a more in-depth and qualitative assessment of the success or otherwise of an initiative. An evaluation should undertake to judge whether or not the stated objectives of the change were achieved – ie were the desired outcomes achieved? It may
suggest reasons for the failure if they have not been achieved or were only partially achieved.
Change management readiness survey

**Purpose:** to understand, from stakeholders’ perspective, how well change is currently managed within the government of Afghanistan.

**Benefits:** this would yield general information about how change is managed within government, rather than specific data about the change process for PFM Roadmap reforms.

**Timing:** if this survey were conducted at the outset of the change process, the data it yields about what has been done well and badly in the past would help to produce a more robust change management plan for PFM reforms.

**Example questions:**

<table>
<thead>
<tr>
<th>1 (Strongly disagree)</th>
<th>2 (Disagree)</th>
<th>3 (Neither agree or disagree)</th>
<th>4 (Agree)</th>
<th>5 (Strongly agree)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am given adequate information about the reasons for change</td>
<td></td>
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<tr>
<td>2. I am given a clear vision of how things will be different after the change has been implemented</td>
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<tr>
<td>3. I am given adequate training to enable me to implement the change</td>
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<td>4. I am given adequate opportunity to ask questions and raise concerns about the change</td>
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<tr>
<td>5. Which of these statements best applies to how change is managed within your ministry? (tick ONE box only)</td>
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<tr>
<td>My ministry exists in a state of rapid and continuous change</td>
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<tr>
<td>My ministry evolves through long periods of stability with short bursts of fundamental change</td>
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<tr>
<td>Different parts of my ministry deal with change incrementally and separately</td>
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<tr>
<td>My ministry is constantly undergoing small changes</td>
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<tr>
<td>Other (please specify)</td>
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<tr>
<td>6. Please rank these requirements about change in order of importance to you, from 1 (most important) to 9 (least important)</td>
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<td></td>
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<tr>
<td>Understanding why change is happening and why it is necessary</td>
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<tr>
<td>Recognising the change is being implemented by people with the necessary skills</td>
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</tr>
<tr>
<td>Being aware that important individuals are involved in the change process</td>
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<tr>
<td>Being able to take ownership myself and influence some details of how the change is implemented</td>
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<tr>
<td>Appreciating how the change will take place</td>
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<tr>
<td>Receiving clear communications in a timely manner before change occurs</td>
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<tr>
<td>Having support and training to enable me to respond to the change</td>
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<tr>
<td>Feeling that everybody is focused on the same goals</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Knowing who is ultimately responsible for the change</td>
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</tbody>
</table>
## EXAMPLE SWOT ANALYSIS – Government ministry implementing a new policy

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• High reputation of our organisation</td>
<td>• New staff group with low levels of experience</td>
</tr>
<tr>
<td>• Committed leadership</td>
<td>• Little experience of managing significant change</td>
</tr>
<tr>
<td>• High media profile – we can get attention if we want it</td>
<td>• Absence of team work and cross-boundary cooperation in our organisation</td>
</tr>
<tr>
<td>• Potentially large budget</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Pressure from media and the public to solve current problem</td>
<td>• Pressure from media and the public to solve current problem*</td>
</tr>
<tr>
<td>• Can learn lessons from other countries (we’re not the first to encounter this problem)</td>
<td>• Pressure from politicians to move too fast</td>
</tr>
<tr>
<td>• We have no competitors, unlike a private sector organisation</td>
<td>• Overload of capacity (human and institutional)</td>
</tr>
</tbody>
</table>

* Sometimes the same factor can be both an opportunity – if used skillfully – and a threat.
EXAMPLE FORCE FIELD ANALYSIS

Trying to reduce traffic volume in Kabul city...

Factors supporting change
- evidence of health damage done by pollution
- evidence of lost time/money spent in congestion
- inconvenience to general public
- inconvenience to VIPs

Factors opposing change
- no alternative to private cars: poor public transport
- perceived security threat if travelling on foot
- absence of rail, river or tram transport to get traffic off the roads
- many workplaces have car parking, encouraging employees to drive
- people enjoy being in their own personal car
CREATING A SHARED VISION

“We are going to create a shared vision. This is the picture of what we want to create in the future together. We are not going to discuss the obstacles now, but what we most want to see happen.”

“Imagine it is 1393 and we are looking back. We have accomplished all that is important to us. What picture do you see in your mind that represents that accomplishment?”

Step 1  Describe your personal vision (10 mins)

1. Each person to write a newspaper headline reporting on PFM accomplishments in the year 1393. What picture or illustration would go alongside the headline?

2. Each person to write an individual statement to describe what s/he is most proud of.

3. In pairs - share your visions of the future with each other.

Step 2. Integrate your vision with others (15 mins)

4. Each pair to create one shared vision combining the best aspects of both visions.

5. Two pairs get together and discuss the combined visions.

6. Each group of four combine the visions to arrive at one shared vision. [6 or 7 groups]

Step 3. Record key elements of vision statements (5 mins)

7. Each group of four to record the key elements or phrases of their vision statement on cards or sticky notes. Groups should write only one element/phrase on each card.

Step 4. Group the elements and key phrases (15 mins)

8. Each group in turn to tape its cards on the wall, reading aloud what each card says (and explaining if necessary what that means)

9. Each successive group places its cards on the wall next to others that are similar. If a card doesn’t fit with any other card, it stands alone.

10. Once all the cards are posted, participants come up to the wall and move the cards around, grouping similar messages and phrases together until are all in categories.

11. Decide on a name for each group, write the name on a new card (a different colour), and place the card above the appropriate grouping. Read all the group names aloud.

Step 5. Wrap up and plan next steps (15 mins)

12. Decide on responsibilities for writing up the draft vision statement and who needs to be involved in finalizing it.

13. How will you use and communicate the vision statement? Brainstorm ideas.
### EXAMPLE ORGANISATIONAL CULTURE ANALYSIS

<table>
<thead>
<tr>
<th>Feature of current culture</th>
<th>Supportive of change?</th>
<th>How to support change</th>
</tr>
</thead>
</table>
| Lack of teamwork between different Departments | NO | • Team building exercises  
• Job placements/secondments between Departments  
• Team leaders model desired behaviour, eg openly consulting one another over significant decisions |
| No customer focus | NO | • Institute new customer feedback systems  
• Give recognition to individuals/teams who demonstrate customer focus  
• Leaders visibly consult customers, eg face to face meetings; phone-ins; personal contact |
| Strong work ethic | YES | • Public recognition of hard working individuals  
• Prizes or public celebration of high performing teams  
• Leaders model desired behaviour |
| Strong technical skills | YES | • Recruitment policies which select well qualified individuals  
• Promotion on basis of technical skills  
• Staff appraisal includes technical skills  
• Training highlight technical skills |
PART 2  Detailed change management approach for PFM Roadmap