



Transformational vs. Incremental Change



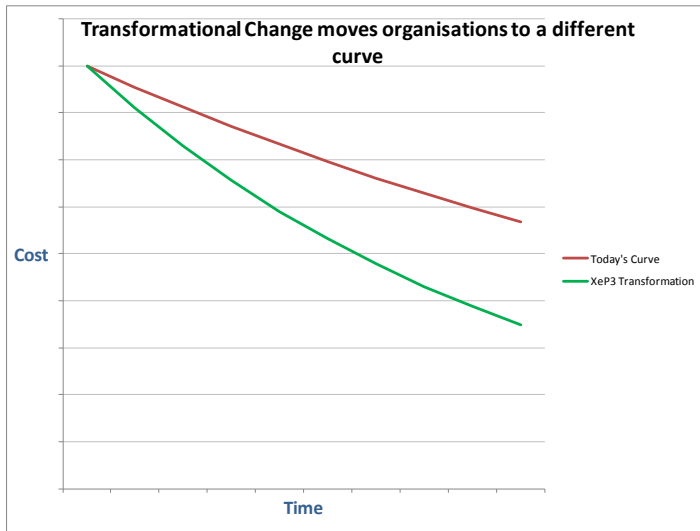
Incremental and transformational change

- Incremental change
 - Is doing something better without challenging underlying beliefs and assumptions. It is limited in scope and is often reversible
 - Examples include tactical process changes, a new quality management process, or the implementation of new computer system to increase efficiencies in an essentially similar process
- Transformational change
 - Examines the underlying assumptions and structure within the organisation. The scope is much broader, and as a result the organisation will more fundamentally change its culture and/or the way it operates
 - Examples include a complete reengineering of processes, structures, roles and even underlying assumptions.
- Transformational change is generally required because:
 - External events occur that demand a large scale change;
 - Performance deteriorates or new competition demand a new way of operating.

What do we mean by “Transformation”?

- Many organisations will often have a embedded incremental change program
 - This builds capability and support for a larger, transformational changes
- However, incremental improvements are rarely “game changing”
- On the other hand Transformational programs are indeed game changing, requiring a new way of thinking and behaving. For example
 - A new curve for speed
 - A new standard in service
 - A new Customer Value Proposition
- Often transformational change involves “paradigm breaking” activities
- They must be led by senior teams

Moving to an entirely new curve is a classic sign of transformational change



• New curves may apply to:

- Cost
- Time to First Yes
- Quality
- Conversions
- Referrals
- Retention rates
- etc

To be “Transformational” a program must have a number of elements

- A Transformational program rarely implements a single “silver bullet” as this is a somewhat mythical form of management ammunition
- Rather, transformational programs seek to make a significant number of changes as part of a broad strategy such that
 - Staff deliver services through substantially different processes
 - Such processes are delivered through different roles
 - Technologies and systems integrate to support the processes and roles
- The program will need to be delivered in such a way that it sticks – this means winning over a material portion of key stakeholders – especially management and staff
- Transformational programs only work with very significant executive support
- Transformational changes are most notably recognisable by paradigm shift.

More information on the Bevington Group

Download our [Difference Statement](#) or view our [case studies](#).

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