

Research Findings on Program Failure and Success

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The Statistics

Only about one-third of organizational change initiatives survive beyond the initial implementation. Two-thirds of change initiatives fail.

- Here is some of the research I've found so far on organizational change failure rates (reference list at end):
- Two-thirds of Total Quality Management (TQM) programs fail, and reengineering initiatives fail 70% of the time (Senge, 1999, pp. 5-6).
- A seminal study found a 64% failure rate among new technological innovations introduced into municipal public service programs (Yin, 1978, p. vi).
- Change initiatives crucial to organizational success fail 70% of the time (Miller, 2002, p. 360).
- Major corporate investments in technology are not used as intended or abandoned within six months 80% of the time (Gartner Group in Miller, 2002, p. 360).
- Of 100 companies that attempted to make fundamental changes in the way they did business, only a few were very successful (Kotter, 1995, p. 59).
- Leaders of the corporate reengineering movement report that the success rate for Fortune 1000 companies is below 50%, possibly only 20% (Strebel, 2000, p. 86).
- Companies that successfully implement a strategic plan are a minority, with estimates ranging from 10% to 30% (Raps, 2004, p. 49).
- Virtually all new federally-funded educational programs failed to reach sustainability (Berman & McLaughlin in Yin, 1978, p. 44).

Why Programs Fail or Succeed

Here are reasons for failure and success synthesized from the literature on organizational change.

Why Programs Fail...

- **PERCEPTION:** If the problem addressed or the solution offered doesn't resonate, then the program will not work. [non-dissonance—the problem doesn't create a tension to resolve; non-resonance—the solution doesn't resonate] (Rogers, 1995, p. 181). This can happen because of strong beliefs that can't be overcome, public reactions, or unintended consequences (Rogers, pp. 400, 405, Senge, 1999).

- **TOP MANAGEMENT:** The program doesn't have the support of top management. Research has shown that a transformational leader who gains the support of the senior management team is a crucial factor to successfully implement and sustain a change program and, when absent, spells doom for the program (LeBrasseur et al., 2002).
- **TOP MANAGEMENT:** Conversely, if the program is merely a top-down, packaged program that doesn't adequately engage people throughout the organization it will also fail.
- **REALITY:** The program doesn't address “real” problems facing the organization.
- **FEAR:** A culture of trust is not fostered so fear persists (Senge).
- **RESOURCES:** They are not properly resourced with time, money, and/or people
- **TRAINING:** Training is not provided
- **RESISTANCE:** For the above reasons, the change initiative is resisted by managers, supervisors, adversary groups (Yin, 1978, p. 55), and others. Also, if several previous programs have failed, this tends to inoculate employees against change initiatives (Beer, Eisenstat, & Spector, 1990a, p. 41).
- **EFFICACY:** The program doesn't work (Pluye et al., 2004).
- **SUSTAINABILITY:** The problem for many innovations is not that they don't work, but that the organization cannot figure out how to implement and sustain the innovations as an organizational change (Repenning, 2002, p. 109). What is sustainability? Sustainability is the process by which a new idea or innovation becomes adopted, implemented, adapted, and normalized in an organization.

So What It Will Take To Succeed?

Finally, what factors must be addressed to implement and sustain a successful Programme? Okumus said:

“One key reason why implementation fails is that practicing executives, managers and supervisors do not have practical, yet theoretically sound, models to guide their actions during implementation. Without adequate models, they try to implement strategies without a good understanding of the multiple factors that must be addressed, often simultaneously, to make implementation work.” (Okumus, F. (2003).

So, here are the “multiple factors” that need to be included in your Programme Delivery model.

- A **CHAMPION** who builds support and assembles the necessary people, skills, training, and resources.

- A PLANNING PROCESS that involves the right people.
- CONTINUOUS PASTORAL SUPPORT which creates an adequate foundation of support and power to implement and sustain the proposed change.
- KEY SUPPORT. The champion gains the support of opinion leaders, top officials, groups likely to adopt. Innovators and early adopters support the program. This results in enough power to effect change.
- ORGANIZATIONAL CAPABILITIES. People, budget, time, and training are assembled to match the proposed change.
- RESISTANCE. Behavioral and systemic resistance is managed. Create a climate and culture that overcomes organizational defense mechanisms. Leadership creates a psychologically safe environment for people to explore and learn.
- ADAPTATION. Early shortcomings are addressed and adjustments are made.
- EFFICACY. The program works over time.
- SUSTAINABILITY. Program becomes self-sustaining, reaching critical mass by creating, capturing, and sustaining momentum. The program becomes part of the organization's routines.

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