

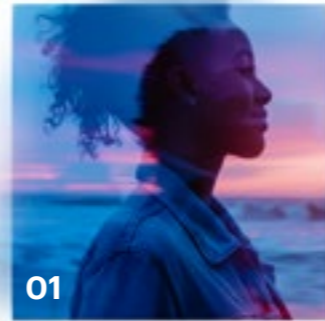


Change. reinvented

A new blueprint for continuous, meaningful, successful change

 **accenture**

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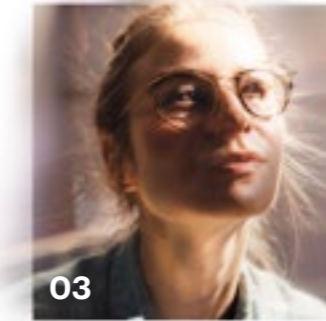
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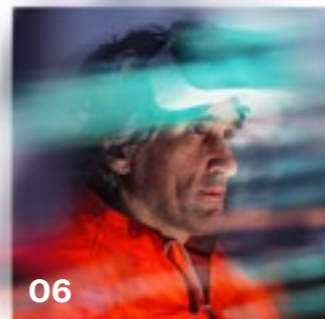
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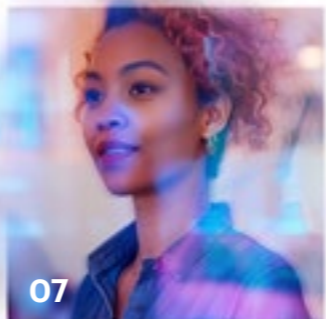
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Continuous change is the new reality



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Executive summary

In today's business landscape, continuous change is the new reality—and navigating it effectively is essential to activating strategy and moving organizations forward.

The age of generative AI is set to upend ideas of traditional “change management.”¹ Now in play: a dual mandate to both more deeply engage employees and deliver bottom-line results.

As we stand on the brink of unprecedented shifts in market dynamics, technology and workforce expectations, the ability to effectively navigate and measure change has become a critical competency for C-suite leaders. Yet, the practices are not always well understood, nor are they consistently applied. This research delves into new approaches that can turn the often-dreaded notion of “yet another transformation” into opportunities for innovation and growth—for organizations and their people.

We see a striking consensus among leaders as they see the pressing need for change, but lack the confidence to deliver²:

80%

of organizations have change as part of their long-term vision.

95%

of organizations have undergone 2+ transformations in the past three years.

96%

of C-suite leaders are dedicating more than 5% of revenue to change projects in the next three years.

100%

of C-suite leaders anticipate significant changes to their workforce.

Yet only

30%

feel confident about their change capabilities.

Our research outlines a new blueprint for excellence in continuous change. It includes the consistent application of proven practices, as well as more innovative practices now possible through the use of technology. We call it the [Change Capability Quotient](#).

By increasing the maturity of change practices outlined in this blueprint, organizations can transform into dynamic, resilient entities capable of outperforming expectations and achieving meaningful results, including:

Higher

financial performance, with annual revenue growth up to 5 percentage points higher on average than other companies.

Better

experiences that meet employees' needs, unlock their potential and leave them 2x more likely to feel [Net Better Off](#).

Faster

outcomes, with leading organizations 80% more likely to achieve successful transformation on schedule.

They're also more likely to join the [Reinventors](#)—the elite 9% of companies that not only transform, but consistently outperform.

The role of leaders as “architects of change” is central to our findings. Beyond merely initiating transformations, leaders must integrate change into their culture, aligning it with core purposes and values. Leaders who provide clarity and motivation and excel in these capabilities do not just manage change—they inspire and facilitate it.

The Change Capability Quotient provides a blueprint for continuous, meaningful, successful change. This new research codifies the practices that are closely linked to results. It is a call to action for leaders to embrace their role as change architects, with practices that enable organizations to thrive in an ever-changing environment.



From potential
to possible

Building a resilient culture in
times of constant change

We see— and feel—change all around us

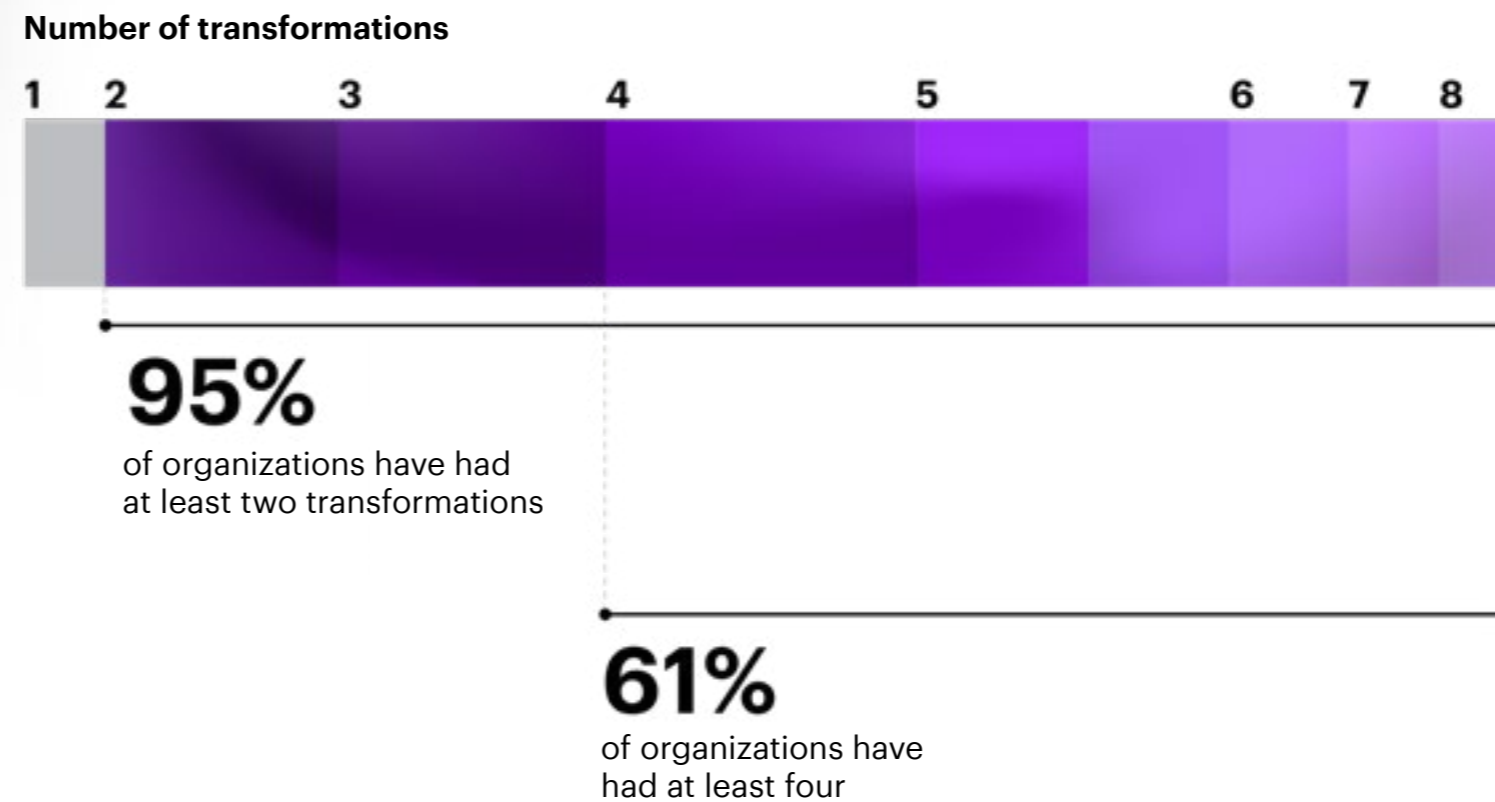
It's frequent. It's multi-faceted.
And frankly, we have a love-hate relationship with it.



It's easy to see why:

- **95% of organizations** have had at least two or more transformations in the past three years.
- **61%** have had more than four and as many as eight. (see Figure 1.)

Figure 1. Number of organizational transformations undertaken in the last 3 years (% of survey respondents)



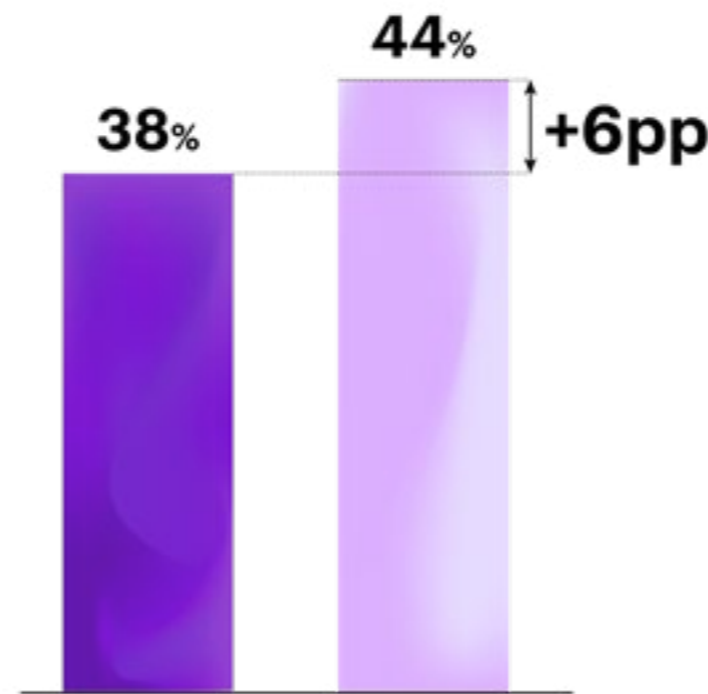
Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.

For both disrupters and the disrupted, it's not going to settle down any time soon. The age of generative AI is now upon us, and it's the top force driving the changes ahead (see Figure 2). The work we do, the skills we need to do it, how we work with each other—a startling 44% of our working hours will be impacted as gen AI rearranges our fundamental assumptions.³ Looking ahead, leaders need to focus on human-centered change, building a resilient culture to navigate the waves to come.

The pressure to see the payoff

Change is absolutely key to the future of most organizations. 80% of companies have it as part of their long-term vision. And 96% of C-suite leaders are dedicating more than 5% of revenue to change projects in the next three years (see Figure 3). Yet while investments are high, leaders' confidence in seeing real results is low. Only 30% foresee a major step change in performance improvements in the next three years.⁴

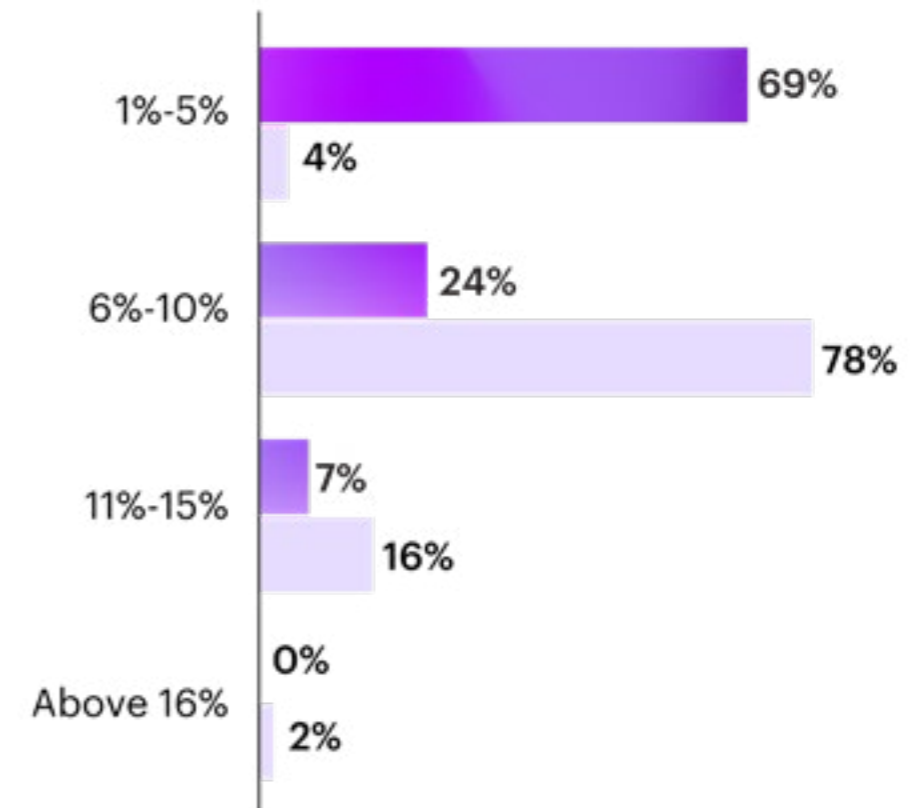
Figure 2. Generative AI adoption is the top factor driving change (% of survey respondents)



■ Past three years ■ Next three years

Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.

Figure 3. Annual average investments in change projects by companies (% of total revenues)



■ Past three years ■ Next three years

Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.

This research addresses the critical question: As the pace of change accelerates and organizations invest more than ever in transformational change, how can C-suite leaders ensure that they achieve **higher, better and faster returns** on their investments?

Change done well can be a source of innovation and growth, energizing leaders and teams across the business to truly embrace change efforts. Using a broad fact-base and empirical research, we define the capabilities of continuous change that can be used to predict the likelihood of success. **We call this measure the Change Capability Quotient.**



Figure 4. The six capabilities of continuous change.

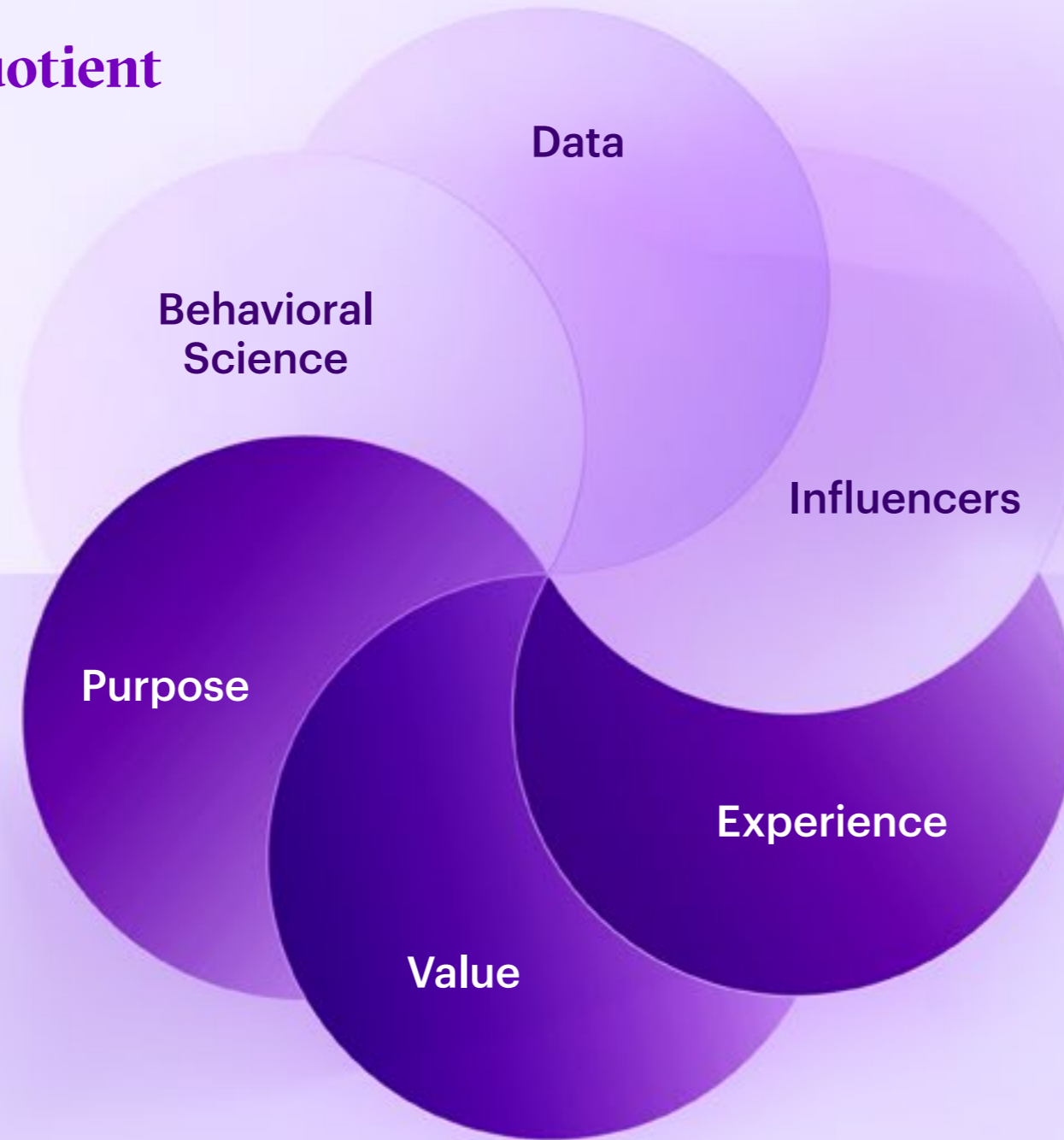
Change Capability Quotient


Innovations


These capabilities are areas of new thinking and practice, focusing on turning insights into action.


Foundations


These capabilities are known to drive success, but are often not consistently applied.




 **Personalizing change with behavioral science** to discover and promote the things that truly shift behavior.

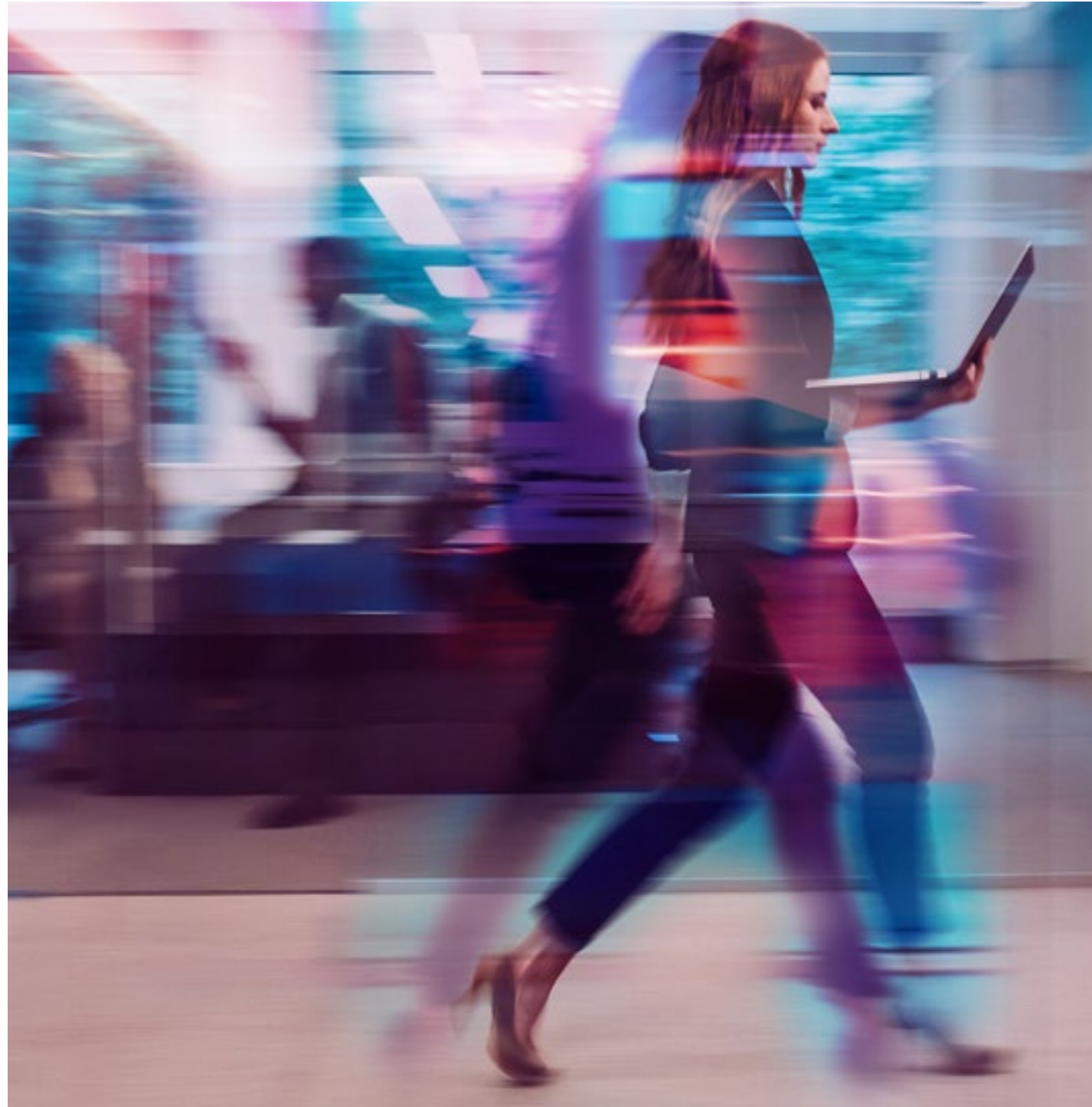
 **Using data and AI to drive insights** and better understand the impact across the business so leaders can adapt their approach to change as needed.

 **Growing networks of influencers** from both internal and external sources, with trusted, authentic voices helping to activate change.

 **Linking change to purpose** and using 2-way communication to encourage engagement and commitment.

 **Clearly defining value** and expectations, while aligning investment to these goals.

 **Creating new experiences** to inspire people and create a positive environment for continuous learning and improvement.



Are you reinvention ready?

Organizations that adopt reinvention as a strategy clearly outperform their competitors. These organizations—the Reinventors—make up the 9% of organization that excel at continuously reinventing through technology, data, AI and new ways of working. They have embedded change as a core competency. In fact, 80% of these Reinventors regularly evaluate how effective their change efforts are to ensure they align with their overall plans for reinvention.⁵ Organizations who score highly on the Change Capability Quotient are 2.2x more likely to be Reinventors.⁶

With the right capabilities in place, it can be done.

The Change Capability Quotient provides a blueprint for how.

From art

to science

Turning change into a more
predictable, positive force

The Change Capability Quotient

Today, all leaders need an understanding of change to develop culture and activate strategy. Navigating change is not a separate exercise—it's fundamental to leading organizations.

Yet shifts in how companies work and leaders lead are often difficult to quantify. It has always been more art than science. This research shows how to turn change into a more predictable, positive force across your business.

Our research snapshot

From art to science

We aimed to create a blueprint for leaders to navigate the complexities of ongoing, technology-enabled transformations. Through our research and our work with clients on thousands of client transformation programs, we identified practices that not only enhance financial performance but also benefit employees and teams.

The Change Capability Quotient has two primary purposes:

1. To quantify the practices of change and make them more measurable and attainable.
2. To establish a clear connection between the maturity of change capability and performance.

Our methodology

This is a new evidence-base for what effective change leadership looks like.

We extensively analyzed the practices of change.

- We distilled the practices of change from interviews with 140 global change experts, longitudinal analysis and behavioral insights from 400 organizations across 25 industries and 95 countries.
- Using thematic analysis, we clustered the practices into six capabilities of continuous change.

We also studied the maturity of practice and the link to performance.

- We surveyed 1000 members of the C-Suite and 5000 workers across 17 countries and 14 industries to understand the depth of actual practice.
- We tested the link between maturity of change and financial and non-financial outcomes to better understand the link between practice and results.

For complete notes, see About the Research on pg. 47.

Foundations and innovations

We now know what leaders who successfully navigate change are doing and how they're doing it. These are the capabilities of continuous change.

Foundations

These capabilities are known to drive success but are often not consistently applied.

- **Linking change to purpose** and using 2-way communication to encourage engagement and commitment.
- **Clearly defining value** and expectations, while aligning investment to these goals.
- **Creating new experiences** to inspire people and create a positive environment for continuous learning and improvement.

Innovations

These capabilities are areas of new thinking and practice, focusing on turning insights into action.

- **Personalizing change using behavioral science and AI** to discover and promote the things that truly shift behavior.
- **Using data to drive insights** and better understand the impact across the business so leaders can adapt their approach to change as needed.
- **Growing networks of influencers** from both internal and external sources, with trusted, authentic voices helping to activate change.

Foundations

These capabilities are likely familiar to those who have taken on previous change efforts—and they are still essential to delivering results.

Linking change to purpose—Leading organizations inspire their people through empathy and decisiveness. They do this in large part by communicating a clear vision for why change is necessary and integrating that vision into everyday work.

They also deliberately make communication a two-way street. For example, they create regular, low-pressure channels to solicit employee feedback. Also, they address concerns promptly to foster an inclusive culture. In this way, employees know they're valued—they feel heard and empowered.

Clearly defining value—Success in change efforts hinges on aligning everyone's understanding of what success looks like—both financially and non-financially. By clearly defining value-creation expectations for each stakeholder group, while measuring and reporting progress and incorporating feedback continuously, organizations can ignite a movement that encourages and embraces change.

Value-oriented organizations align their investments with their prioritized goals. This includes developing people, enhancing efficiency through technology and promoting collaboration using knowledge-sharing platforms.

Creating new experiences—Advanced new technologies, including gen AI, are impacting the skills organizations and their people need to put to work. These new ways of working require a new mindset, with leaders at the forefront fostering a culture of continuous learning and development. When leaders focus on finding ways to continuously improve employee experiences, they inspire people not only to change, but also to promote change efforts as part of continuous improvement and growth.

These organizations set clear goals aligned with people's individual growth aspirations. Then, they help people feel seen and supported by offering relevant training and upskilling opportunities. By applying customer experience techniques such as journey mapping and feedback loops, organizations can inspire people not only to embrace change but also to actively promote it. Mentoring programs also add value by fostering a sense of trust and belonging. Knowledge-sharing is a regular part of work so employees understand that they themselves own change. It is happening with them, not to them.



Innovations

Emerging practices, when combined with the foundations, help leaders accelerate and mature their change capability for greater impact. These innovations are made possible by increasing the use of data and AI to better understand actual behavior and responses to specific change initiatives.

Personalizing change using behavioral science—

Organizations are increasingly leveraging behavioral science, augmented by technology and AI/analytics, to delve deeper into understanding the motivations, mindsets and capabilities of people. These insights are used to identify areas for improvement and the barriers that inhibit progress. By personalizing change messages and applying nudge theory, which subtly influences behavior through small environmental adjustments, organizations can guide positive behaviors more effectively.

These customized strategies not only speed up adoption but also motivate individuals to engage in problem-solving and innovation. When there is trust in communication channels, it further enables individuals to contribute solutions back to the organization, creating a “flywheel effect” that perpetuates shifts in actual behavior.

Consider a **bank**, where managers roll out a new digital platform aimed at enhancing customer service. They use behavioral science strategies and employ nudge theory to mitigate employee concerns about the transition. For example, managers distribute internal communications that highlight the efficiency of the new platform. They also provide quick, engaging and personalized tutorials created by AI to help employees learn new tasks effortlessly. This encourages employees to swiftly adopt the technology while making it easy to do so, easing the transition process. Communication then shifts to sharing the experiences of those first movers and how it has helped them do their work and improve customer engagement.

Data-driven change at Accenture

Putting data to work to increase the use of new technologies and ways of working

Fast and frequent—the pace at which our global team can innovate by using new technologies and ways of working is critical for our business. When we launched a strategic change initiative to increase their use, we knew there would be different, diverse attitudes across our global business. So we turned to behavioral science to customize an approach based on understanding different employee mindsets.

We started by researching employee attitudes across various business units. The data pointed to six core mindsets, ranging from the most enthusiastic adopters to those who had yet to appreciate the value of new technologies. The research also highlighted major challenges to technology adoption, including relevance of the tools, integration into daily routines and usability issues.

To turn these challenges into opportunities, we demonstrated the use, value and relevance of using these new technologies with tactics that were accessible and social, as well as peer- and practice-based. We crafted targeted learning, communication and mentoring strategies to address specific needs. And we encouraged usage through positive reinforcement and practical examples. Tailored interventions included early access to new releases for the most enthusiastic adopters, peer mentoring and success stories from leaders.

By using data and research insights to provide tailored, personalized experiences, we saw a measurable increase in the effective use of new technologies and ways of working. This behavioral science-based approach enhanced engagement, effectiveness and confidence among employees—and continues to drive innovation and efficiency throughout our company.

Using data to drive insights—Using real-time data and AI in change initiatives can help leaders understand what changes are happening, which areas of the company are most affected and what actions are best to maximize their investments. While it may sound obvious, many organizations are just starting to treat data from change initiatives as seriously as they treat data about customers and services. Usually, the focus is more on activities (output), less on the actual value or impact of these activities (outcomes).

The more insights an organization has into how change will impact people, the better it can translate those insights into actions that drive outcomes. We're seeing exciting developments in data and platforms that enhance our ability to manage change with analytics.

Currently, we see organizations moving away from sole reliance on traditional surveys and focus groups towards leveraging tools that provide a more nuanced understanding of how people are feeling. We are also seeing an increase in the use of gen AI tools that can help us tap into the large amount of tacit knowledge that employees have gained about the organization through experience.

Change data

From simple statistical models to machine learning and deep learning, there are new ways to understand patterns of behavior and the interventions that matter most for different stakeholder groups. More companies are going beyond data collection towards outcome-based measurement of key factors, such as:

- **Business readiness**—Are employees ready to embrace change?
- **Engagement**—How are employees responding to the elements of a change program, such as leadership messaging, learning interventions and tools to support performance?
- **Effectiveness**—Are the designed programs delivering the desired results—and are outcomes continuously improved by capturing data, generating insights and tailoring action?
- **Sentiment**—What is the impact of change on the employee experience? Is change leading to increased psychological safety to help people express sentiment and manage emotions in ways that can lead to higher engagement and retention?
- **Data-driven action**—Is the planned course of action aimed at achieving results that are statistically correlated with insights from data analysis, behavioral science and past experiences?

Areas of innovation in this space include evidence-based measurement of organizational dynamics, continuous feedback and data collection across multiple sources, along with practitioner education on using data. These innovations equip leaders and their teams with the knowledge and recommendations they need to make evidence-based decisions and lead change with greater speed and certainty.

In practice, rapid adjustments and continuous improvements based on data are essential to developing a leading change capability. Consider a **large retailer** embarking on a major restructuring. They use advanced analytics to monitor employee engagement and adoption rates and analyze skills data across various departments. By understanding these dynamics in real-time, the retailer could quickly intervene with targeted learning opportunities and support where it was needed most—resulting in smoother transitions and improved outcomes.

Growing networks of influencers—Approachable and knowledgeable team members are the best change evangelists, acting as powerful influencers and inspiring trust and openness. Their accessible and inclusive

approach encourages colleagues to ask for assistance and help one another contribute to change initiatives. Leaders take a structured approach to enabling influencers with tools and formal support. These individuals can circulate change messages, making the idea of change more attractive. Colleagues are then more inclined to be involved in these initiatives.

A **global manufacturer** successfully leveraged highly respected front-line team members to spearhead safety improvement efforts. These individuals, selected for their credibility and influence among peers, were given comprehensive training and resources. The organization also upskilled these change champions on effective nudge implementation to facilitate knowledge-sharing throughout the change effort.

Overall, the organization met their key outcomes. They saw a significant reduction in workplace incidents and greater engagement across the organization. Employees felt more involved and committed to the change, leading to a more cohesive and proactive approach to safety and operational excellence. The impact also extended beyond immediate safety improvements. It fostered a culture of continuous

improvement and collaboration, with employees at all levels feeling more connected to the organization's goals. The ripple effect of these empowered influencers created a sustainable foundation for future change initiatives.

But organizations shouldn't only look inward. Involving external stakeholders and influencers breaks down silos and promotes collaboration for better results. These stakeholders can include customers, technology partners, vendors and suppliers.

External influencers can also drive innovation and change. For example, industry thought leaders can help shape standards and practices, leading to innovative approaches. A **healthcare** provider partnered with academic institutions and leading researchers to develop new patient care models. Through their collaboration, they developed advanced care protocols, while decreasing patient recovery times and increasing satisfaction rates. This approach also attracted additional funding and support, accelerating innovation and establishing a robust framework for future advancements.



The results: Higher, better, faster returns

Change is fundamentally about impact and getting new things done. It's about increasing productivity, cost savings and meeting sustainability targets—while also creating better employee experiences.

Often, despite the importance of effective change efforts, there is a lack of understanding about which practices add the most value and drive better results. This research sheds light on the capabilities of continuous change, providing a clear path for leaders to better achieve their goals.

Only 16% of the 1,000 organizations we studied stand out as leaders, with a high Change Capability Quotient, indicating that they are excelling in all six capabilities (see Figure 5 on next page).

However, those leaders are 2.1x more likely to report a successful change transformation and achieve higher, better, faster results:

Higher

70%²

more likely to report lasting benefits

40%²

more likely to report cost savings

5 percentage points²

higher annual revenue growth on average than other companies

Better

1.5x²

increase in productivity growth lead

2x²

more likely to leave their employees feeling [Net Better Off](#) (see Figure 6)

48%²

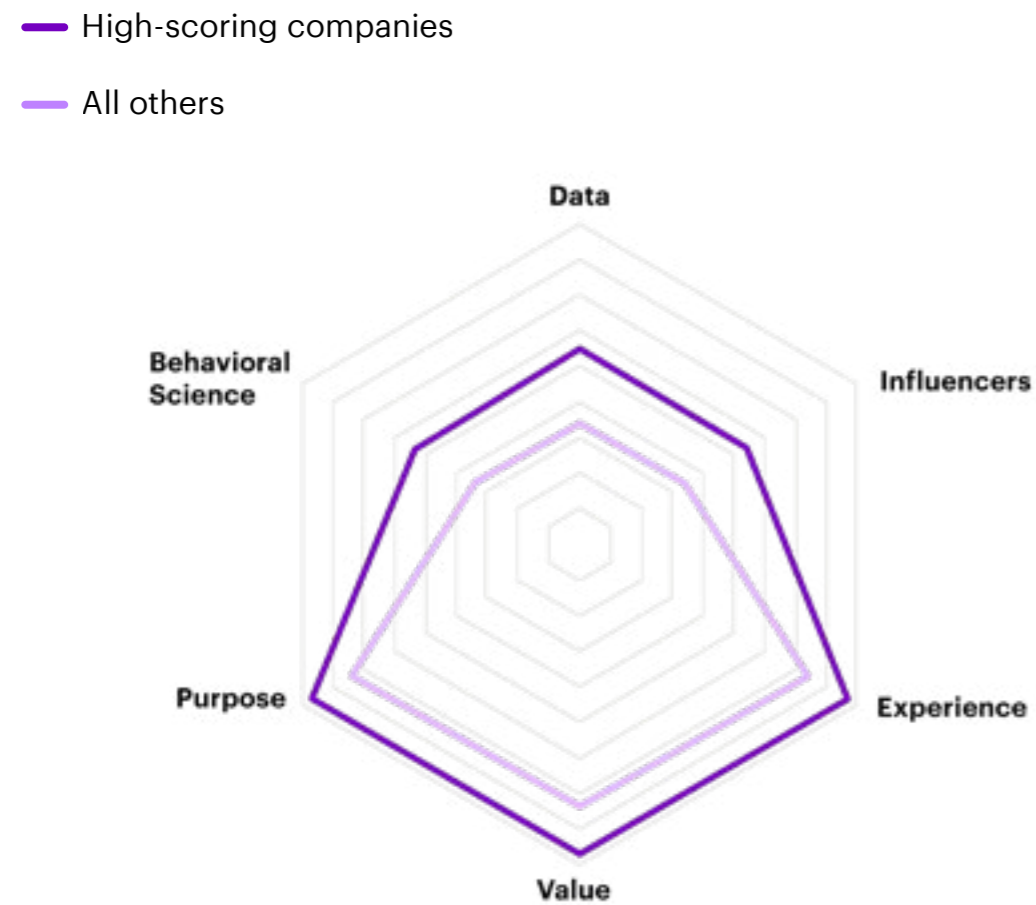
more likely to report improvements in their sustainability targets

Faster

80%²

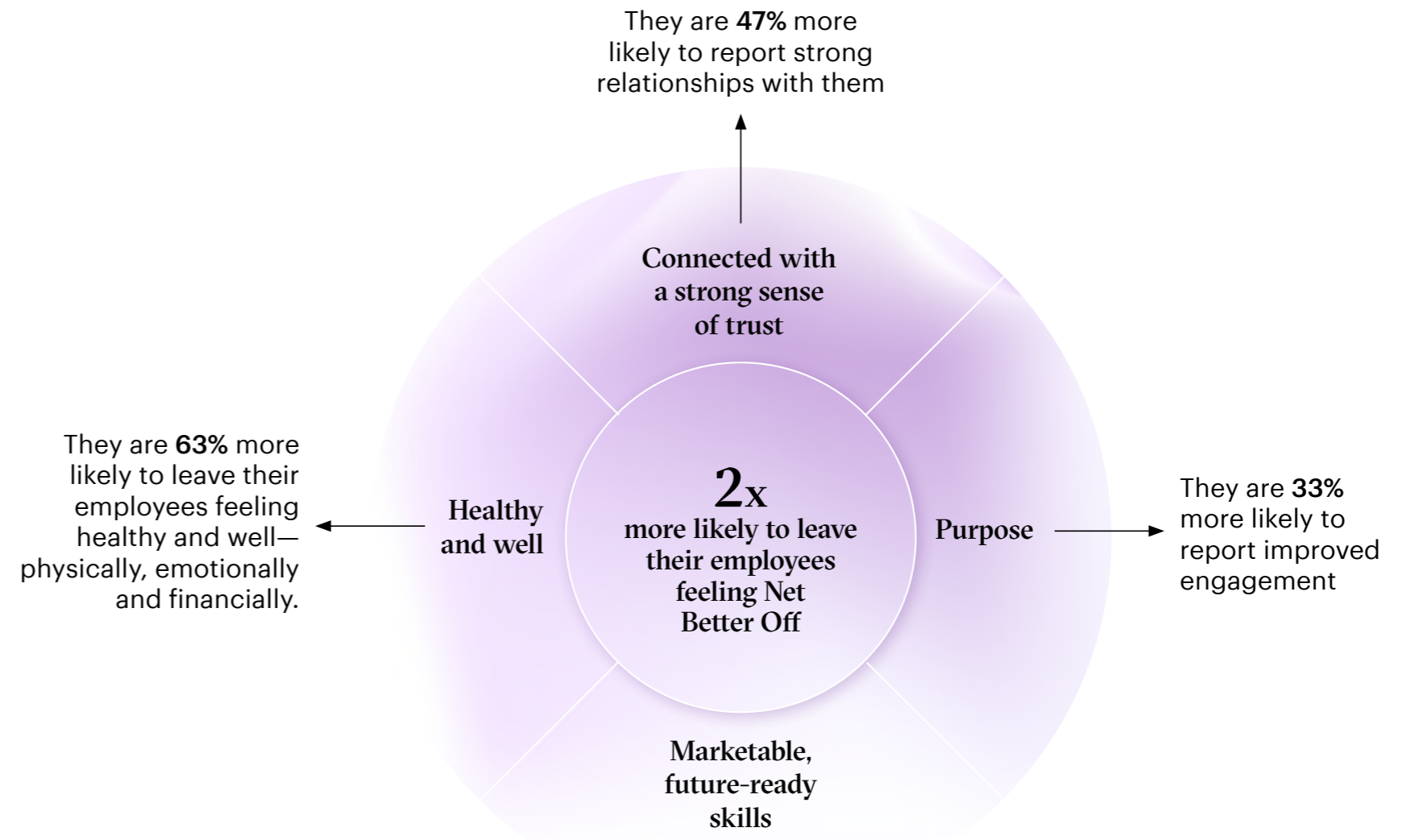
more likely to achieve successful change transformations on schedule

Figure 5. Leaders outperform their peers across all six capabilities, with largest gaps across Innovations.



Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.

Figure 6. High-scoring companies are 2x more likely to leave their employees feeling Net Better Off.

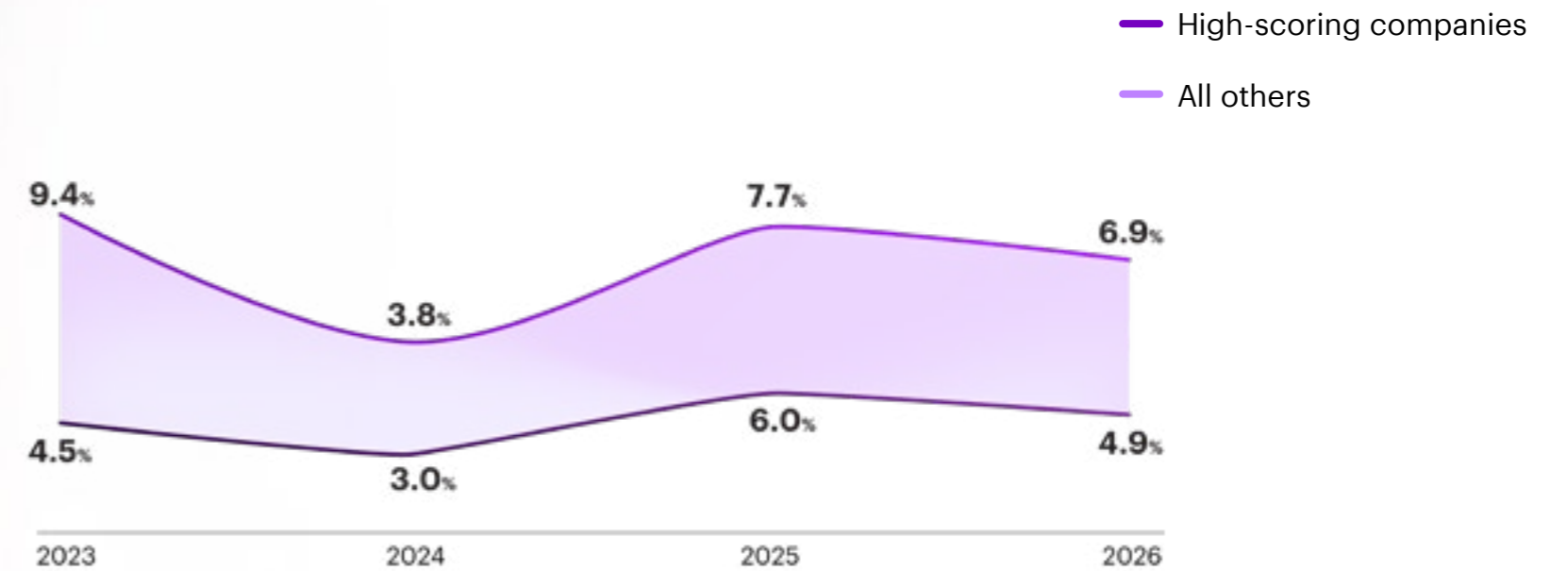


Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.



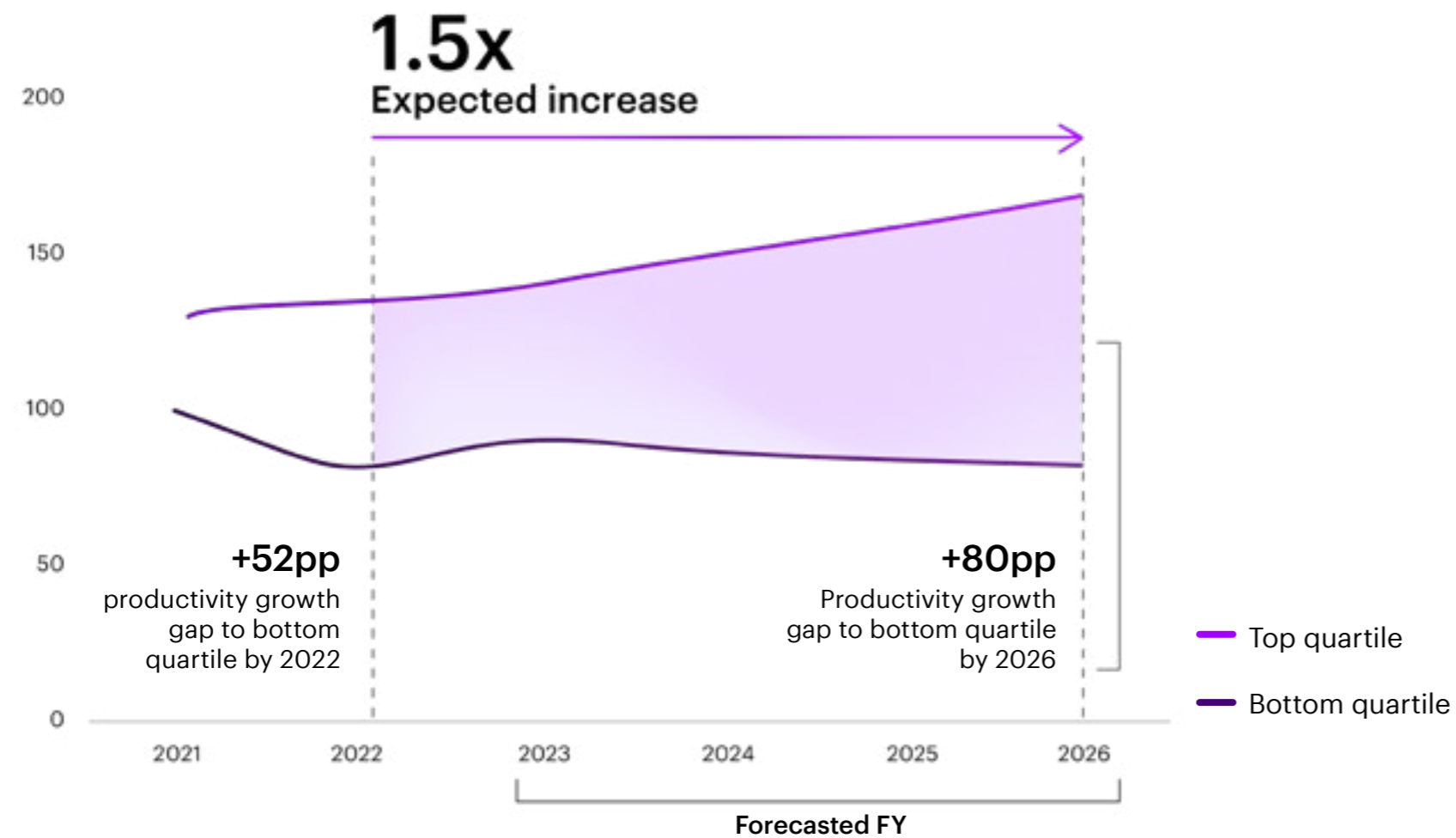
The benefits don't end there. These leaders also report 5 percentage points higher revenue growth on average. (see Figure 7). Based on analysis of company forecasts, they're also expected to **widen their productivity growth lead by 1.5x** over the next two years (see Figure 8 on next page). And as mentioned previously, they are **2.2x** more likely to be one of the top performing companies we refer to as Reinventors.

Figure 7. Average revenue growth over time




Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000; S&P financial data of 551 public companies included in the sample. Data collected includes actual reported revenues and S&P consensus forecasts through 2026.

Figure 8. Productivity Gap (top vs. bottom quartile comparisons); Productivity Growth indexed (2017=100)



Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000; S&P financial data of 551 public companies included in the sample. Data collected includes actual reported revenues and S&P consensus forecasts through 2026.

Realizing the true power of the Change Capability Quotient lies in putting a solid foundation in place *along with* the innovative capabilities needed to catalyze higher performance. In the next section, we explore real-world examples of how combining capabilities drives impact and results.

A man with a beard and short grey hair, wearing a light blue button-down shirt, is looking intently at a laptop screen. He is in a meeting room with other people blurred in the background. The lighting is soft and professional.

From bold ambitions

to meaningful actions

Combining capabilities
to drive constant change

From insight to action

The combination of capabilities across foundations and innovations truly unlocks the potential of continuous change. These examples show how organizations are leading the way—and we expect to see more along these lines in the future.

Change Capability Quotient

Combining capabilities to unlock potential

Foundations:

Purpose

Value

Experience

Innovations:

Behavioral science

Data

Influencers

Successful change has little to do with corporate messaging and everything to do with how things really work. Data drives better insight and action by shining a light on:

- **What leaders really do**, not just what is said.
- **How people actually behave** as not all guidelines are followed.
- **The impact of systems, processes and policies** to spot intended vs. unintended consequences.

Change Capability Quotient front-runners have a head start here, with 51% leveraging AI and gen AI for predictive modeling to help anticipate potential roadblocks and challenges in their change journey.⁷ That data helps them go beyond offering high-level

descriptions of the changes on the horizon. It enables their people to anticipate when change efforts will intensify, or hit rough spots, so they can better plan, navigate and set expectations.

Also, any organization that can unlock complex, data-driven insights about customers can take a similar approach with their employees. Organizations can work to understand what's changing, who is affected and what actions are necessary, using a combination of predictive analytics and real-time engagement tools. They can then act quickly if a change has negatively impacted a team or, by contrast, if team members have identified a way to help themselves or others.



Transformation isn't a single event—it's like a wave with alternating downturns and upturns. Initially, fear and apprehension arise, especially with associations to uncertainty, job redundancies and generational conflicts. It's crucial to acknowledge this phase and focus on rebuilding morale and confidence. As our culture shifted, we defined a new corporate purpose, promoting open conversations and encouraging direct communication. Using data was a significant step in our transformation, as it allows us to challenge prior misconceptions. Data often dispels about 80% of opinions, leaving only 20% to address.

We integrated behavioral changes into our objectives, moving from hiding problems to sharing feelings and opinions. We appointed change agents in every department to aid adoption and introduced 'lunch and learn' sessions for ongoing education and engagement. Recognizing people's efforts and making them feel valued significantly helped drive change.”

—Head of Strategy, a leading automobile manufacturer, UK

55%

of organizations with a leading Change Capability Quotient continuously monitor data related to employee needs, well-being and engagement, and use digital technologies and tools to achieve their vision.⁸

Case in Point

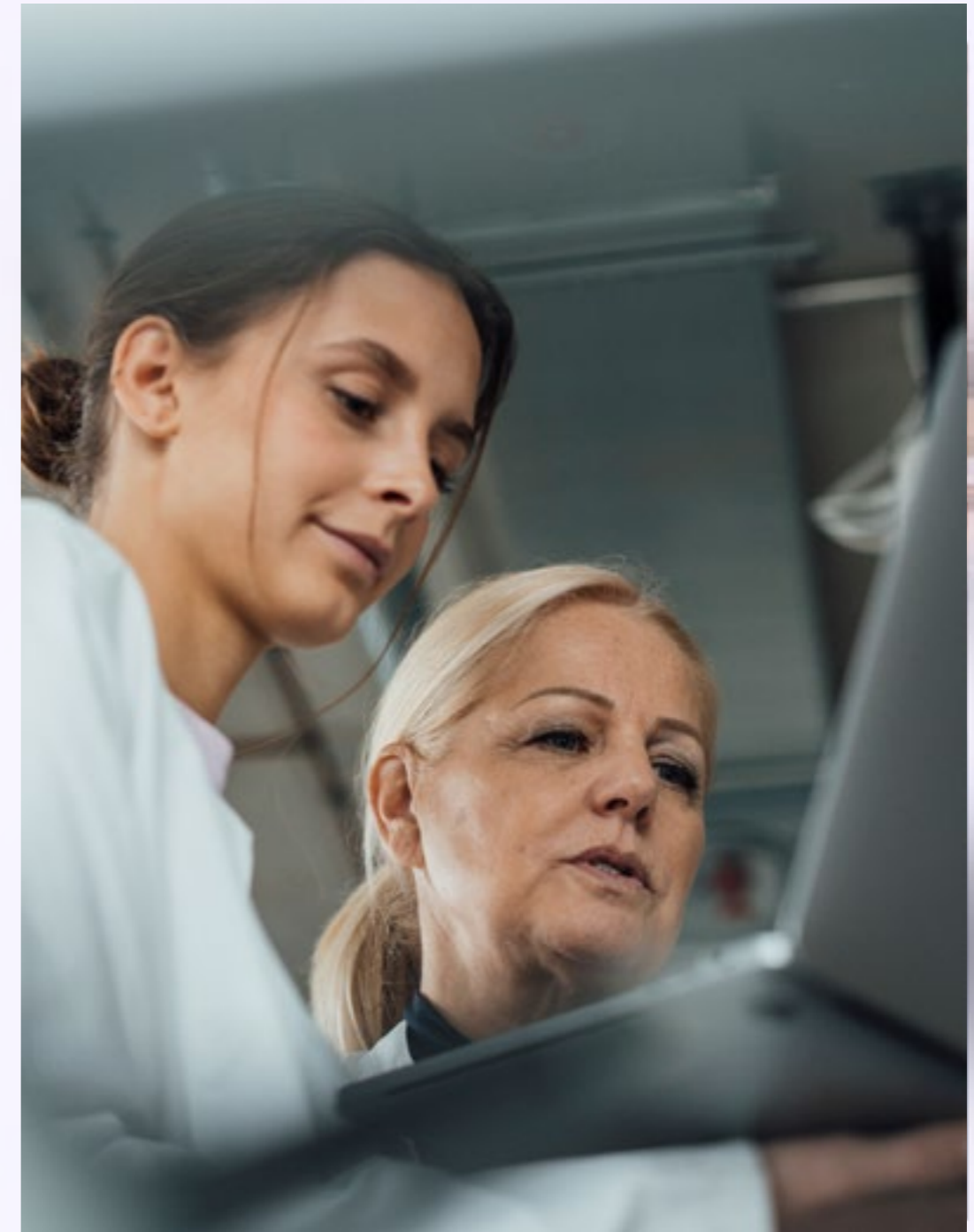
Moderna

Since its inception, the leaders of biotech company Moderna have relied on digital technologies to support and grow the business. The company's work in mRNA research is underpinned by a cloud-native infrastructure. Now, their leaders have embraced AI as a transformative force, using it to **demonstrate to team members how the latest waves of tech adoption open opportunities for accelerated therapeutic breakthroughs and other advantages.**

To drive adoption, the company's in-house AI Academy curriculum is split into six tracks to accommodate varying skill levels, including courses such as "GPT Kickstart" and "AI Applied." Offerings cover areas including data visualization, machine learning algorithms, AI ethics and job-specific AI applications.

Moderna gathers regular **feedback and ideas directly from their people.** They host regular Ideathons, which have engaged over 600 employees since 2022 and generated more than 340 use cases.

Now, Moderna also partners with OpenAI as it seeks to use generative AI to its full potential. In 2023, they introduced mChat, Moderna's bespoke version of ChatGPT. This tool is further driving the company's cultural shift, with over 80% internal adoption. mChat features include advanced analytics, image generation and tailored GPTs to support various functions. These GPTs are now embedded across Moderna's business functions—from legal, to research, to manufacturing, to commercial—and are purpose-built as assistants that work alongside Moderna's employees, **enhancing their roles through personalized support.** At the time of this report, the company has deployed more than 750 GPTs, including a Dose ID GPT, to help streamline operations and improve vaccine dose selection, while prioritizing safety in late-stage clinical trials.⁹



Change Capability Quotient

Combining capabilities
to unlock potential

Foundations:

Purpose

Value

Experience

Innovations:

Behavioral science

Data

Influencers

Change is often met with resistance and skepticism. Leaders meet resistance head-on by making a clear, value-oriented case for change. Behavioral science is not new—but what you can do to understand and personalize change is enhanced with data and AI. And using behavioral science methods can be a key way to create tangible interventions that move people in a new direction.

Almost 60% of companies with a leading Change Capability Quotient use behavioral insights to tailor action plans, accelerating adoption.¹⁰ These insights offer ways to leverage individuals' capabilities by highlighting relevant opportunities for development. Creating a culture of psychological safety also ensures people feel supported to experiment and learn without fear.

For example, while some people might embrace a new technology, others might be more resistant. By understanding the underlying reasons for resistance perhaps through anonymous team surveys or real-time insights platforms, organizations are better equipped to introduce 'nudges' to encourage adoption.

A nudge might be providing a secure space to experiment with the new technology, then acknowledging and rewarding early adopters. Or sending friendly reminders to attend group meetings where people receive interactive, hands-on training.

By meeting team members where they are, the organization sends the message that it's ok to ask for support when faced with a new learning curve.

Ultimately, organizations with high scores are constantly creating safe places for people to navigate change confidently and to build trust. These organizations treat change and adaptability as a core competency. People learn this early in their careers and develop it as they progress into leadership positions.



We emphasize how this transformation makes jobs more efficient and exciting for our people. We show them the opportunities for upskilling to boost their career prospects and increase job satisfaction and security. Aligning their contributions with our organization’s strategy helps foster collective responsibility and empowers everyone in our transformation journey. We have initiatives based on behavioral economics principles to understand workforce behaviors and mindsets. We actively translate feedback into actionable improvements and assess how it fosters commitment, while also examining the impact of positive reinforcement.

Our emotional intelligence training program gauges employee engagement levels, helping shape our organizational culture, enhance creativity, and improve overall thinking. Although still in the pilot phase, these programs show promise in transforming our culture and engagement, address friction points and enhance cross-team collaboration.”

—Chief Technology Officer, a leading multinational bank, USA

64%

of companies with leading Change Capability Quotient scores leverage behavioral science and AI-powered recommendation systems to suggest personalized change strategies for different stakeholder groups based on their preferences and concerns.¹¹

Case in Point

Rolls-Royce

Rolls-Royce, whose civil aerospace business is a leading manufacturer of aircraft engines, was on the cusp of implementing a new cloud-based digital procurement platform just as the pandemic hit in 2020. The platform was designed to simplify processes and automate tasks to create a better user experience and enhance analytics. But business benefits wouldn't materialize if adoption rates failed to climb above 30–40%.

At a time when morale was potentially low due to a recent reduction of 9,000 employees, Rolls-Royce turned to **behavioral science** to uncover what truly motivated its procurement workforce. The company formulated hypotheses based on “values analysis,” focusing on what employees might genuinely value and care about. Through randomized control trials, Rolls-Royce tested these hypotheses and gathered data on effective motivators within the organization.

Armed with these insights, Rolls-Royce designed targeted communications that framed the platform as an opportunity for personal development and career advancement, not just a team obligation. This approach, emphasizing the personal relevance of the changes, resonated deeply with employees. **As a result, learning completion rates reached 92% when the new system became fully operational, eventually soaring above 95%.** By linking individual benefits to organizational goals, Rolls-Royce not only enhanced system adoption but also improved overall outcomes, at both personal and corporate levels.



Change Capability Quotient

Combining capabilities
to unlock potential

Foundations:

Purpose

Value

Experience

Innovations:

Behavioral science

Data

Influencers

Building a powerful network of trusted, authentic voices inside and outside your organization can encourage widespread buy-in to help activate change.

We've seen the power of influencer networks in social media—peer recommendations and advocates are often more powerful in marketing than any other channel. Applying the same principles to change can create powerful advocates for change.

Relevance is also key. Creating a change movement isn't a one-size-fits-all proposition. Different business units, functions and levels need to experience and orchestrate change in ways that are relevant to them. Culture is fundamentally driven in a large part by the behaviors of non-executive and other leaders in the middle of organizations. It's important to reflect on what these influencers need to know, think and feel to drive the front-line change required.

For instance, a company might enlist a respected department head to promote the use of a new digital tool within their team, or a well-liked supervisor in customer service could lead the way in adopting new communication practices. Both individuals serve as authentic internal influencers who exemplify the benefits of change and motivate others to follow suit.

To mobilize great influencers, start with identifying your organization's most respected skeptics. These are people who have earned their stripes and have vocal questions and concerns about change. They can become the most enthusiastic advocates if the organization cultivates them by asking for their help and being transparent, proactive and authentic about what behaviors are needed to help drive success.

Note: Not all influencers are internal. Strategic partnerships can drive innovation through change by providing access to new technologies and expanding market reach.

Consider engaging external partners, such as customers, vendors and suppliers to model and experiment with key changes. They may be able to prove the value of emerging technologies—they also may offer access to networks of peers going through similar transformations. Setting the expectation that partner input is welcome and needed on a change journey can accelerate its pace and improve its chances of success.

Finally, leaders should be role models for positive behaviors. When leaders show that they're comfortable being uncomfortable, they're demonstrating the power of progress over perfection. Their behaviors will encourage others to follow suit, helping make change a skill that everyone wants to develop.



We have initiated what we refer to as 'leadership stories.' These are not training documents, but communication pieces designed to highlight exemplary leadership practices within the company. Carefully chosen instances of excellent leadership, such as consistent employee engagement, respect for ideas and open communication, are shared monthly by the HR department, fostering a culture of positive leadership. This consistent storytelling approach is integral to our culture change initiative, ensuring individuals are both informed and inspired by their colleagues' positive examples.

Our approach to cultural change is multifaceted, including internal sharing of stories from different organizational levels and learning from external experts. These external insights add value to our internal change efforts. We collect experiences from various levels, ensuring communication is relatable to everyone. Commitment, continuous support, clear communication and patience are key in any transformation process. Top management's active participation serves as a powerful example, significantly influencing employee buy-in and the success of the journey.”

—Vice President & CIO, multinational technology company, Greater China

62%

of companies with high Change Capability Quotient scores prioritize identifying and onboarding authentic internal influencers to champion change, fostering team-level adoption and continuous feedback.¹²

1 in 2

organizations with a leading Change Capability Quotient foster a culture of trust and openness, empowering people to seek guidance from influencers during times of change.¹³



Case in Point

Lloyds Bank

Influencers can go by many names. At Lloyds, a large, UK-based retail bank, they're called "catalysts." The bank began tapping catalysts when leaders became concerned about losing valuable talent during a transformation effort to drive revenue growth and diversification, reduce costs and strengthen capital efficiency.


Ultimately, they found more than 6,300 people (more than 10% of the workforce) to serve as "catalysts" across the business, sharing their experiences and building support for the change effort. These individuals emerged from a wide variety of roles and levels within the organization, characterized by their boldness and courage. They embody the company's values in their actions and decisions, and they challenge any behaviors or decisions that deviate from the organizational purpose. They are also proactive about asking for help, for themselves and others. Moreover, they empower those around them to do the same, fostering a culture of accountability and continuous improvement.

Postal and courier service company

A leading postal and courier service company embarked on a change initiative to enhance operations by implementing a state-of-the-art CRM platform across various departments, affecting over 5000 employees. Due to diverse cultural and operational dynamics, this required a tailored approach to effectively navigate change.

The company used advanced AI tools to analyze workforce dynamics and identify specific enablers and barriers for each department. Then, influencers within the company played a crucial role in facilitating the transition.

They upskilled over 100 key stakeholders, including program leaders and change champions, in effective nudge techniques. The training helped foster a culture of collaborative knowledge-sharing, ensuring a smoother transition and empowering employees to adapt to new dynamics—and a more integrated and efficient operation across all levels.¹⁴

A man with dark hair and a beard, wearing a bright red jacket and a white headlamp with a glowing green lens, is shown in profile, looking towards the right. The background is a blurred, colorful landscape, possibly a snowy or icy mountain range under a blue sky. The overall mood is one of adventure and focus.

From breaking
down barriers

to breakthrough performance

The link between change,
competency and performance

Overcoming obstacles to change

What gets in the way of successful change?

We tend to like things the way they are. There's comfort in business as usual, and—even among leaders—change is perceived to be hard.

Identifying the obstacles

Common obstacles on any change journey tend to fall between the insights needed to justify change and the actions needed to put it into practice. Areas to focus on include:

Understanding: Some individuals understand the necessity and implications of changes—others don't. For example, managers are twice as likely as the C-suite to think change is happening too fast. For the organization to move forward as one, all need to agree on where the change is heading.

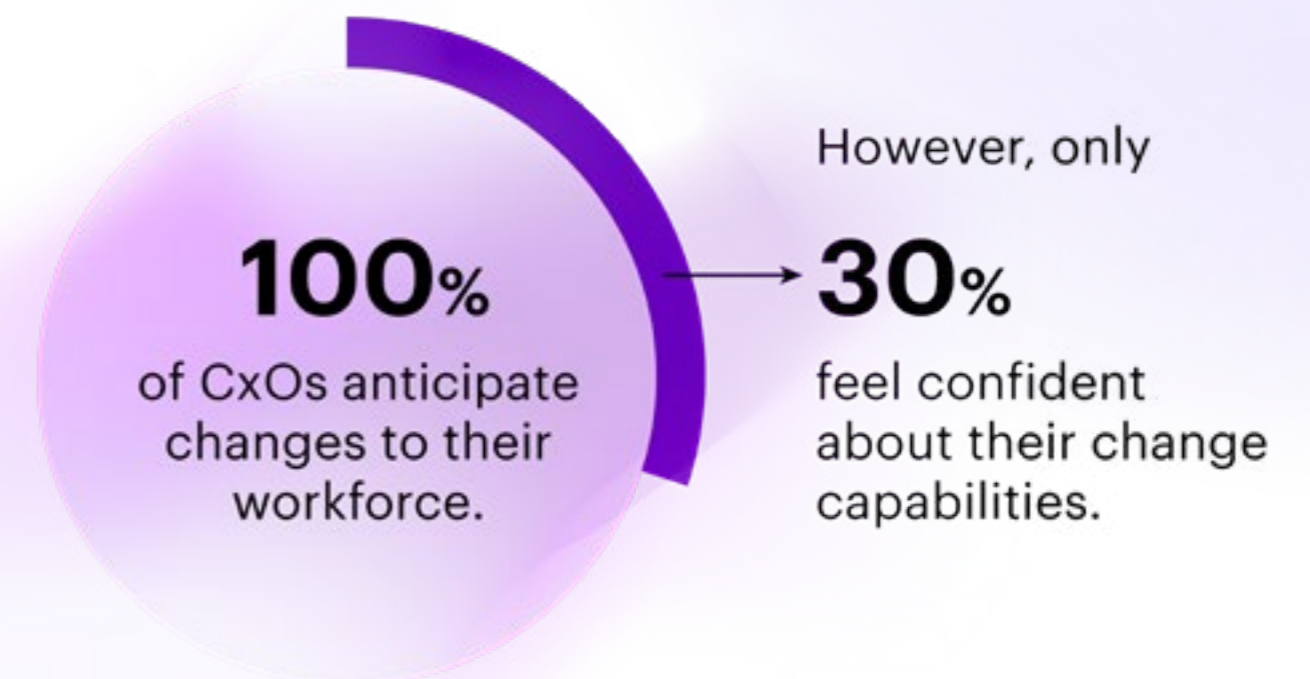
Trust: Trust equals engagement. And the need is felt all around the organization. Only 25% of leaders believe their teams are prepared to embrace change, while only 42% of employees are confident in their own capabilities in the face of change.

Data: If you don't know how people are responding to messages on how to change, you're a step behind before you even begin. The data here is crucial. Many organizations know and

understand customer sentiment in great detail and closely track how their brand messages are received. Bringing the same discipline to measuring messages between leaders and employees is key.

Role modeling: People need to see leaders practicing what they preach. When leaders model new behaviors, they are more likely to increase confidence for everyone to do the same.

Overcoming these obstacles isn't just about keeping up—it's about using change to get ahead. Engaging and developing the people and teams involved is key—as well as combining the capabilities of successful, continuous change.



Source: Accenture Research analysis based on Change Reinvented CxO survey, N=1000.

A woman with curly hair, wearing a denim jacket, is looking at a laptop. The background is a blurred office environment with other people.

From small steps

to big success

Key actions to create better results for
your organization and people

How leaders lead is critical to continuous, meaningful, successful change

Leadership is fundamentally about changing culture and activating strategy. It's also about one key outcome: leadership involves creating the right conditions for others to implement strategic changes. It's about determining what we want tomorrow to look like and setting the stage to make that vision of tomorrow a reality.

Leading change extends beyond messaging—it requires consistently demonstrating and reinforcing the mindsets and behaviors that will create a future that is different from today. This demands understanding how colleagues perceive and engage with their work and each other.

C-suite leaders should focus on key actions and answers to questions including:

Know your desired strategic change and identify the cultural characteristics that will enable the future.

How will leaders need to act? What mindsets and behaviors will we need to embrace? What will we need to stop tolerating? What formal and informal networks can you leverage?

See beyond the barriers.

What does success look like? Build the capabilities, skills, mindsets and behaviors that will create your desired future. Ensure that embracing change as a core competency and the ability to articulate a future that is different from today are part of how you select, assess, develop and promote leaders. Encourage leaders to experiment in service of growing new behaviors. And be sure to balance delivering for the business with imagining the business for tomorrow—and bringing it to life.

Measure your current culture.

Do the mindsets, behaviors, ways of working, physical spaces, artifacts and symbols of your culture drive you closer to your desired future state, or do they risk getting in the way of that future? Use a blend of quantitative and qualitative measures to get to the real story of today and the possible barriers to tomorrow.

Transforming leadership to drive successful change

The eight leaders of a consumer packaged goods company set out on a significant change project. However, two leaders dominated the decision-making process, making the others feel as though they lacked ownership. In response, the company initiated a 30-day leadership challenge to foster buy-in at the leadership level and engage their teams throughout the organization.

The challenge required leaders to rotate the role of meeting facilitator during leadership team meetings, democratizing influence over the agenda and discussions. This encouraged diverse viewpoints, more open discussions and shared decision-making.

Additionally, the company encouraged leaders to implement similar practices within their teams. Leaders began delegating tasks, establishing bi-weekly check-ins to monitor progress and encouraging team members to take on more responsibilities. This approach not only reduced the leaders' workloads, it also built trust, empowered their teams and improved transparency.

The results were significant. Leaders who had been previously sidelined became active contributors, enriching discussions and decision-making with diverse perspectives. The increased delegation led to more accountable and empowered teams, fostering

a resilient organizational structure. And trust and transparency in operations improved, enhancing job satisfaction and team performance.

This 30-day challenge transformed the company's leadership dynamics, promoted collaborative and inclusive practices that benefited the entire organization, and set them up to successfully navigate the continuous changes to come.

From tradition

to transformation

It's time to reinvent change

Done well, continuous change is a constant positive—a source of growth and resilience, motivation and new human potential.

The Change Capability Quotient provides a blueprint for continuous, meaningful, successful change. It is based on new research that codifies practices and links maturity of practice to results—for both organizations and employees. And it points the way to joining the Reinventors, those organizations which demonstrate the strongest capability to continuously reinvent, with change embedded as a core competency.

The power to become reinvention ready is in all our hands.

Let's reinvent change.

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About the Research

In our exploratory research, Accenture Research adopted a rigorous approach to uncover the key drivers of successful organizational change and identify common pain-points.

This included conducting a thorough literature review and creating an AI-powered virtual focus group, with global change experts to gather diverse perspectives on the dynamics of change.

To augment our findings, we also analyzed longitudinal data from the Accenture Transformation GPS (TGPS). Developed over 26 years of research and experience, TGPS is an advanced analytics system with data across 400 companies, 1500 survey cycles and more than 3 million individual responses across 25 industries and 95 countries. In addition, we analyzed earnings call transcripts to determine how the dialogue around change has evolved, as well as the direction in which it is headed.

We integrated insights from expert interviews and TGPS analysis to identify 99 critical change practices. We then organized these practices into coherent categories using thematic analysis and open-ended coding techniques.

Based on the recurring themes and interrelationships observed in the data, we finally clustered the practices into six distinct capabilities.

To validate the 99 practices, Accenture Research conducted a survey of 1,000 C-suite executives and 5,000 workers across the same set of 1,000 companies in October–November 2023. Respondents were asked about their organization's approach to business transformation and reinvention strategy, as well as about their specific programs and success factors. We conducted the surveys in 17 countries: Australia, Brazil, Canada, China, France, Germany, India, Ireland, Italy, Japan, Netherlands, Singapore, Spain, Sweden, Switzerland, United Kingdom and the United States.

Respondents represented 14 industries: Automotive; Banking; Capital Markets; Communications, Media and Entertainment; Consumer Goods and Services; Energy; Health; Insurance; Natural Resources; Pharmaceutical, Bio-Tech and Life Sciences; Public Service; Retail; Software; Platforms and Utilities.

We also conducted interviews with more than 140 change experts, C-suite leaders and workers (managers to frontline) whose companies are currently undergoing major organizational transformations. These interviews were instrumental in mapping the change journey, as we delved into individuals' experiences, perspectives, as well as the opportunities and challenges they encountered. We utilized AI tools like GPT-4 to analyze interview transcripts, extracting key themes and iteratively refining the outputs. Further, we applied the COM-B model for behavior change to deepen our understanding of worker psyche and mindsets, enhancing our ability to interpret and contextualize the interview findings.

As noted, the Change Capability Quotient is powered by three foundations (Purpose, Value and Experience) and three innovations (Data, Behavioral and Influencers). These six capabilities work together to align change initiatives with the organization's goals and values.

The foundations score is on a scale of 0 to 100, based on the extent of implementation of three capabilities (Purpose, Value, Experience). Each of the three foundations has their own respective scores as a result of averaging the question

responses from their respective sections of the CxO survey. The three foundation scores are then averaged together (equally weighted) for a final score from 0 to 100.

The innovations—composed of Data, Behavioral and Influencers—are a measurement of companies' investments and capabilities in innovative approaches to change transformations. To capture companies that are innovating at scale, each capability of the strategic levers has their respective score calculated from the frequency of top-box responses specific to the capability. The three capability scores are then averaged together (equally weighted) for a final score of 0 to 100.

The final result is the Change Capability Quotient, ranging from 0 to 100, determined by a combination of foundations' scores and innovations' scores, after assigning relative weights to them. The final score is derived from 99 questions in the CxO survey, encompassing both change and innovation capabilities and execution.

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1. For the purpose of this study, “organizational change” entails transitioning from the current state to a desired future state, aiming to achieve organizational success by preparing, equipping and supporting individuals and teams. This transformation results in mindset shifts, changes in behaviors and new ways of working. We specifically focus on transformational changes, which are extensive in scale and scope, involving significant shifts in organizational strategy, structure and processes. Examples include operating model transformations and cultural shifts.
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