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Steering clear of roadblocks: Change pitfalls to avoid!

Embarking on major change initiatives without effective planning often leads to setbacks. While strategy may define the 'what' and the 'why' to change, neglecting the 'how' can hinder success!

The lack of clear planning can lead to the failure to translate strategic intent into successful outcomes. We would always advocate time being taken before moving into delivery to effectively plan and avoid the common roadblocks that can cause change programmes to fail.

1. Design, develop and align strategic considerations

Common pitfall: It is not unusual for people from different departments with diverging agendas to disagree on 'what good looks like.' Often, success criteria have not been fully developed or understood. This flaw can often be found in IT projects where the technology is seen as a 'silver bullet' and the purpose of the change is not fully articulated before commencing delivery.

Suggestion: Organisations should define their success criteria by answering this question: "Is there a clear vision aligned with the strategy and organisational purpose?" It's important to set clear design principles to define the purpose and approach. This helps turn your vision into action and keeps projects and workstreams on track during execution.

2. Product & customer

Common pitfall: Failure to understand your target customers. Products are often designed and upgraded with new features included primarily to keep pace with, or get ahead of competitors, without fully considering the value they bring to existing and target customers; or the challenges involved in delivering these features.

Organisations can also overtly focus on specific functions or a single task, without considering how these parts will come together to create a smooth, cohesive experience for the customer during their whole journey.

Suggestion: With Consumer Duty regulation now in force for Financial Services firms there is an obligation to provide customers with good outcomes. To fulfil this, it is critical to demonstrate that target customers' needs are identified and products and services are designed to consistently meet their needs.

3. People & process

Common pitfall: Failure to identify and have access to the specific skill sets tailored to the programme and the different knowledge and expertise required through design, initiation and delivery. Additionally, insufficient thought is commonly given to determine whether Agile, Waterfall or a Hybrid change management approach is best suited to meet the purpose and oversight requirements of the programme.

Suggestion: Apart from technical expertise and knowledge, soft skills like communication and empathy are equally important in fostering team collaboration and cohesion. Identify individuals who possess these skillsets and/or build a well-rounded team with diverse strengths and personalities.

4. Technology & suppliers

Common pitfall: Organisations often become too excited to adopt new technology with the intent of reducing costs by automating manual processes. The rush to onboard new technology, without clearly defining intended outcomes and developing a detailed implementation roadmap leaves little time to properly engage with potential suppliers, select the right one, and fully understand the business requirements, including oversight, key performance indicators and service level agreements.

Suggestion: Managing technology and supplier relationships, including oversight, escalation of issues and resolution of these from day one is critical to delivering an effective and compliant end-to-end customer journey. Additionally, the role third parties play in delivering good customer outcomes is also a significant focus under Consumer Duty in 2025.

5. Risk & governance

Common pitfall: People and organisations tend to focus on risk areas in isolation, rather than considering the entire spectrum. Tunnel vision and lack of communication can distract the team from understanding the full picture of the issue. In large-scale or cross-business line programmes, this can be especially detrimental.

A notable example of poor governance is the scandal involving the UK Post Office, which affected over 3,000 individuals. Systemic flaws in its Horizon IT system, combined with limited visibility into errors and weak risk management, allowed issues to go unaddressed. As a result, faulty data was used to wrongfully prosecute hundreds of postmasters for theft and fraud.

Suggestion: A change programme requires cross-business line efforts and greater visibility given to potential risks and how to mitigate these. Encourage effective collaboration via a robust risk/governance structure that is established upfront and nurtured throughout the duration of the programme.

6. Data

Common pitfall: As data science and the use of AI continue to grow exponentially, building data capabilities to harness the power of data available to your organisation is increasingly important. Many businesses rush into delivery without fully understanding what needs to be measured and 'make that up as they go along,' or worse still, leave this task until the post-delivery stage.

Suggestion: There will always be a balance to strike between the quality of data and the quantity collected (e.g. for training and analysis purposes). Whilst a good understanding of existing data is important, we would recommend 'future-proofing' data requirements to support ongoing management of the business and to control potential issues and risks. This approach will unlock the full value of data.

7. Testing & implementation

Common pitfall: In the implementation stage, testing is often scaled back in an attempt to regain lost time (especially when delays have been experienced, and the team is still trying to meet the original deadline).

Suggestion: To ensure effective testing then planning should not be left until late in execution. Establishing clear criteria for testing from the start and sticking to defined principles about when/whether a project is ready to move forward can provide both confidence and clarity for the team to make decisions and consider risks, costs, and resources.

How can we help?

Setting up and implementing change programmes is seldom straightforward or easy. Complex distribution and operations, multi-vendor environments, evolving technologies, and stringent regulatory requirements add complexity to change programmes.

The consequences of change going wrong are material in terms of cost, risk and potential reputational damage and understandably executive committees and boards often seek independent quality assurance throughout the programme lifecycle and before 'go live'.

They recognise the value that an external review offers, and the objective perspective that external expertise brings to assess programme progress/readiness. This can also prevent group think and raise awareness of risks and suggest steps to take to mitigate these ahead of launch.

Below, and using the lenses discussed above, we outline key factors that we consider to ensure change programmes are set up with strong foundations set up with strong foundations and managed effectively.

Key Factors for Assuring Change Programmes:

Strategic consideration
- Align commercial strategy with overall strategy
- Financial planning and contingency
- Track budgets and measure benefits

People & process
- Plan workstream resourcing
- Define the resource mix
- Ensure knowledge transfer to retain IP
- Adopt a suitable change methodology

Risk & governance
- Define clear reporting lines
- Assign accountability to stakeholders
- Incorporate risk input early
- Update Risk Committee regularly
- Agile reporting to ExCo

Technology & suppliers
- Define business needs versus 'nice to have's', minimum viable product
- Establish procurement processes (Commercials, SLAs, oversight, and escalation plans)

Data
- Data security & standards
- Design MI requirements at outset
- Decide data migration approach

Product & customer
- Assess product/service delivery model (UX, distribution channels & comms)
- Create a cohesive experience for the entire customer journey

Testing & implementation
- Prioritise testing high-risk areas for go/no-go
- Conduct essential tests (Pen Testing, UAT, Aged MI)
- Soft Launch
- Back-up & rollback

Design
- Clearly defined purpose and vision
- Set design principles and anticipated outcomes
- Create a roadmap with sequenced actions
- Construct workstream

We are happy to discuss our approach with you in greater detail and to share our insights on how to design, translate, execute and assure your change programmes and initiatives.

Please contact me or the Consulting Team if you would like to explore further.

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