

Organizational Change Management

Eighty to ninety percent of all projects fail to meet their objectives. Ninety percent of those are due to neglecting the human element. These are staggering numbers! Why are many ERP projects doomed to fail after implementation? Why do many internal projects never produce any sustainable results other than the distribution of the project shirts or coffee cups? Many of these projects could have mitigated much of the risk of failure by implementing an Organizational Change Management program. While Organizational Change Management is not the silver bullet, it can help you avoid many of the bullets.

Simply put, Organizational Change Management identifies the key elements of risk, leverages various tools to mitigate risks, and prepares the organization properly for the upcoming change.

The risk elements typically are:

- ◆ Leadership (42%): Passive vs. active, misalignment in perceptions and/or expectations, mixed messages to the organization.
- ◆ Organizational and Cultural issues (27%): Roles and responsibilities not defined or misaligned, performance measures not adjusted to sustain the process or are conflicting.
- ◆ People Issues (23%): Lack of buy in to the change, inadequate skills training.
- ◆ Technology (4%) and
- ◆ Miscellaneous Issues (4%).

The table below identifies some of the key Organizational Change activities as they relate to business process design phases:

Business Process Design Phases	Baseline (As-Is) Process Mapping	Analysis and Requirements	Detail (T0-Be) Design	Deployment
OC Change Project Management	Stakeholder Analysis, Role Mapping	Planning and stakeholder updates	Transition Planning	Lessons Learned Workshop
Readiness Assessment	Executive Assessments and Alignment	Mid Level Manager Assessments	Target Audience Assessment (Early in phase)	Post Implementation Assessment
Communication Planning	Awareness	Understanding	Implementation	Follow up
Job Design	Define impacted population	Role Analysis	Detailed Job Design	Performance Measurements

The following describes the typical activities performed by BLCN in Organizational Change Management. The emphasis and duration of each activity will depend upon the nature of the change and the organization's readiness or resistance to change.

Communication Planning: Communications is the activity of delivering the right message, to the right audience, through the correct vehicles at the right time in order to diminish apprehension caused by the unknown and to motivate the team to make the necessary change. Communications planning is performed at the beginning of the project to build the framework for the delivery. It leverages many of the key themes that are developed during the project kick off and the Executive Alignment session (see Readiness Assessments). The BLCN team works with the client's communications professionals to identify the vehicles best suited for the various audiences. Since the content and tone of the communications will depend upon the needs of each project, the messages, and the timing of their delivery, will be formulated based on the readiness assessment findings.

Readiness Assessments: Readiness assessments are performed to understand the perceptions and expectations of the various levels of stakeholders and the impacted organization in order to identify actions to mitigate potential risks. If perceptions and expectations are not aligned with reality, then the change program must address those perceptions and expectations to avoid conflict during deployment. The readiness assessments will be delivered based on the initial organizational change plan. Below are the components of a readiness assessment program:

1. *Executive:* There are typically 10 to 12 leaders associated with an initiative. It is critical for these leaders to have a strong guiding framework and understanding about the project. This assessment entails a one on one interview with each of the executives, covering a range of topics such as issues, critical success factors, sense of urgency, and success. The interview data is sanitized and summarized for a group review and alignment. Deliverables include identification of corrective actions and key themes that drive the communications effort.
2. *Mid Level Management:* Mid level management assessments may be performed through interviews, focus groups and/or surveys. These also test the perceptions and expectations of this group. Outputs are summarized and action plans are put in place for corrective action by the project team and the leadership. Follow up focus groups can be used to further clarify the findings if needed.
3. *Impacted population:* These are assessments that are performed with the impacted population related to the project. These assessments typically use written questionnaires that test the understanding and perceptions of the impacted team. Focus groups are usually used to further clarify survey findings. Actions are assigned to the project team and leadership.
4. *Post implementation Assessments:* These are follow up surveys with the impacted population after deployment. The survey tests how close reality was to the perceptions and expectations. This is very effective in planning for future deployments. Actions are assigned to the project team and leadership.

Job Design: Job design, or re-design, is an activity that reviews the current and future state of a job role during the process design phase of a project. The BLCN team will work with the project team and management to define the key job roles, the capabilities and resources needed for the associated activities and the tools used. This activity will identify potential impacts to leveling, staffing, skill training needs and productivity during the learning process before and after the deployment. Client line management, the Training Coordinator and Human Resources personnel typically participate in and manage the implementation of the job design outputs.

Transition Management: Transition Management provides direction and oversight of the organizational change activities, provides assistance / guidance to the project manager(s) and leadership. This activity typically consists of four key components:

1. *Organizational Change Strategy / Stakeholder Analysis:* The Organizational Change Strategy reviews the intent of the initiative, the amount of change associated with the initiative, the organization's expected ability to change and the initiative's project plan. From there, a change framework is built to mitigate potential risks to help the team meet the initiative's timelines and objectives. Within the framework, the stakeholder analysis defines the key stakeholders within the scope of the work and their current perceptions of the initiative. The Stakeholder Analysis is a living document throughout the project.
2. *Role Mapping:* A Role Map identifies the portion of the organization that is impacted, and the influencers (positive, negative and neutral). This is used by the OC and project leads to scope and direct their various activities. This is also a living document that is maintained.
3. *Transition Planning:* Transition planning is working with the project team, line management and end users to define the activities needed to transition from the Baseline to the desired or TO BE state. This output will be included into the overall project plan to scope and guide the deployment efforts.
4. *Lessons Learned Workshop:* The Lessons Learned Workshop is a half-day review of the project objectives - what went right and what went wrong. It develops a list of lessons learned with supporting actions to leverage the learning. This effort is very effective with multiple deployments or for companies that want to leverage learnings from previous projects.

For large transformation projects, many of the key activities are centralized in a Transformation Office to drive a consistent approach / method while leveraging "shared services" of the organizational change talent.

For more information about this paper or BLCN, please contact us at:
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