Evaluating change management and system implementation

Introduction

Rapid growth in the alignment of IT into business process to remain competitive in an unhealthy global market has intrinsic change involved in every aspect of business. To handle these changes the change management is required. In my views change management cannot be defined in a single definition because strategy and acts vary differently based on the project needs. Change management is the integral part of project management. Change management draws expertise decision from the both internal and external factors of an organisation. These plans are fabricated within the project plan and reviewed from time to time.

According to Dunleavy et al (1993), it is inevitable for an organisation to manage the emotional up and downs of the people, if there is a massive change under taken by an organisation. According to the recent survey conducted in 2005 by the McKinsey & company relieved that only 30% of the change management projects are successful. Dunn CIO of nestle company said (Worthen, B. 2002); " Moving to SAP brings the change in people's working style. It acts like challenging their main beliefs, philosophy, and things which they had perused in the past." And he also says that Change management is the influencing factor of all major IT implementation independent of the software.

My views abstracted from my past experience in SAP implementation (two complete life cycles and two support projects) and resume attached in my first blog.

System Implementations

Huge investments are made system implementation in the industry and it is said to delivery business efficiency as a result. To produce these improvised results there need to be change process involved. Let's consider the example of SAP implementation, these implementations requires the business process reengineering in order to adopt the business to SAP systems. Business process reengineering (BPR) triggers change within the organisation.

Implementation methods

There are four different implementation methods that are commonly used. They are

Big bang – all at once

Pilot

Phased

Parallel process

Best practice (SAP)

In my experience SAP implementation has the first three methods in complete life cycle process. When the company shows the interest towards the SAP then the provider provides the IDES version software to check and make them comfortable with SAP business process. (Pilot method at initial stage after PID).

In all the case of my experience ERP implementation happens in a big bang phase but there was one different proposal to go with parallel process and it was dropped because more number of data operators where required to feed both the systems(i/o).

When the project moves towards the support phase of the life cycle then the project follows the phased implementation methods.

In ECCI the top management decided to Implement ERP to setup a control over the different value chains this triggered the change. ERP implementation in this organisation had a major impact of the work force, so the ITIL framework was followed to handle those change.

Request for Change

RFC Analysis

Change Prioritization

Categorize

Change Advisory Board

Change Schedule

Build & Test Change

Implementation

Top management prioritised ITIL framework the most when the BPR was processed.

The ERP team analysed the critical factors and consequences towards ERP implementations by carrying out a force field analysis. The driving forces and restrain forces where identified in force field analysis. At the initial stage of the project, there was more number of restraining forces rather than the driving forces.

We used a little strategy to trim down the strong points of the restraining forces. E. g. coordination between departments increased by explaining the benefits for each department and how it benefits its process. Other example culture of organisation where managed with the involvement of top management.

Force field analysis was a continual process until the equilibrium reached the desired state. During my work I didn't realise it was a Lewin's Model of Change, in reality process which we where following was Lewin's Model of Change. (Unfreezing, change process and refreezing).

In an unfreezing state we found out the elements that can reduce the strength of each restraining forces.

Change process, those indentified elements where changed using ITIL framework process.

Refreezing state was maintained by a continuous monitoring process.

The management in Priya Creations was not flat structure which followed the old classical approach. I was designated a business analyst in this organisation and found various issues relating to organisation structure that affects the performance of the organisation. Top management decided to

change structure to flat and a modern structure. It aimed at empowering of employees and fast learning organisation to compete among the competitors. According to Burnes, (2009: 100-154), the organisation that follows the Culture-Excellence and becoming a learning organisation will benefit there operational value chain and their strategy. According to Mintzberg et al, (2009), 10 school of strategy define the 10 different values for a modern organisation and how they behave to the success of the organisation. These ten different schools where consider while restructuring the organisation.

According to Nicolai,(1997), " strategy is the pattern of decisions in a company that determines and reveals its objectives, purpose or goals, produces the principal policies and plans for achieving those goals and defines the range of business the company to pursue, the kind and nature of economy contribution to its customers, employees, shareholders and communities."

According to Burnes, (2004), Emergent and planned approach are the two dominant category of organisational change that are generally agreed. He uses the 5 P's to differentiate planned and emergent approach. In planned approach he describes Strategy as a plan, position and ploy. Strategy as Perspective and Strategy as pattern is described as emergent approach. In my view the emergent change arise spontaneously by a certain task which are not intended or anticipated for developing this change.

Planned approach

Planned approaches are task that are carried with the intention to trigger the change and planned well ahead. Lewin saw that planned change is principally targeted at operational excellence and human interaction through group outings and social programmes. (Burnes, 2004). Planned change can be easily handled by analysing the internal and external factors.

The project team in ECCI has set up a team for the strategic planning process. Objective of that team was to make the project smother in the post go live stage. Team has to analyse various internal and external factors that could affect the process in the post go live. Internal factors were identified using SWOT analysis within the organisation. It determined the strength, weakness, opportunities and threat.

The strengths that are identified where

TOP Management commitments.

High calibre project team.

Good technical resources

The opportunities that are identified where

High competitive advantage with better reports

Increase in operational efficiency

The weakness that are identified where

Skill level of employees

Inadequate training

The Threats that are identified where

Employees reluctant towards change

Technology at site

Implementation cost

External factors were identified using PESTEL analysis within the organisation. It determined the political, economical, social, technological, environmental and legal.

There were some factors like political, economical and environmental didn't have much negative influences towards the post implementation side.

Social

ECCI is a construction company in which most of people in the site where semi skilled workers. They looked at the software as giant and there data was most crucial inputs for report analysis.

Technology

The internet connectivity in some of remote site where bad and most systems in site need to be upgraded.

Legal

SAP charges every company based on the number of user, So the limitation to number of user considered to be a problem. Assigning the authentication access to users was also questionable.

Strategy as an evolution and selection of right technique was assigned the corresponding department heads. The operation of these techniques where monitored by the project team.

Emergent change

According to Carnall (2003), there is common thing that exist among the practitioner and theorists, the magnitude and greater frequency of change has made it less predictable in the recent past. In the present business environment change cannot occur from solitary even environment. (Garvin 1994). Emergent impacts can occur from a change program that is even planned and executed most carefully.

Kotter's (1996) framework for analysis of change " eight steps" used for the emergent change in the organisation. He empathised on the stand of staged and sequential approach. His framework looks carefully at all stage of change to avoid the pitfalls and it also go in hand with ITIL framework.

(1) Establish a sense of urgency – highlighted the needs of the change.

(2) Form a powerful high level coalition to guide and lead the changes – formed a team who can take a high level decision and act independently.

(3) Created a organisational vision for the future.

(4) Strategy that Communicate repeatedly and consistently vision to entire organisational structure.

(5) Empower people in the organisation to act on the vision – Doing the needful to achieve the vision.

(6) Planed a visible performance improvement for a short-term.

(7) Consolidate improvements and produce more change

(8) Institutionalise new approaches – Brief the new working process and encouraging the work force adopts the change.

According to Burnes (2009: 11), Cultural and political process derives the emergent change. The resources and capabilities of the organisation are matched with the opportunities and constraints posed by the business environment. Organisation culture was analysed through cultural web to avoid imbalance in the organisation.

According to my experience the culture of the organisation determines the success of the project. It can either be positive or negative effects. If we take any example of ERP implementations, the people attitude towards the Project may vary based on their own benefits. The conflicts can arise based on the personal or cultural value of an organisation.

From my experience, (Natarajan, November 27, 2010) the culture in the organisation can be easily managed in a proactive manner. The most of ERP implementation carry out the analysis of the organisational culture before start of the project internally. Johnson & Scholes (2008), cultural web model

has us to analysis the various aspect of the organisation. This analysis will have great contribution towards the change.

From my experience a learning organisation can improvise the work culture within the organisation. An organisation is said to be learning if it convert the tacit knowledge to the explicit knowledge. In ECCI we set up issue log common in a common directory, it helps us in logging all issues that's been generated during implementation and this become a documentation for the further referencing.

According to Mintzberg,(1989), Number of change that emerges unrelated to the decisions made by the managers. Therefore the change is not planned. These decisions were made on the basic of organisation behaviour and its environment assumptions.

Leaders establish the vision for the future and set the strategy for getting there; they cause change. They motivate and inspire others to go in the right direction and they, along with everyone else, sacrifice to get there. (John Kotter, 1996)

According to Mohrman et al,(1995), The style of traditional leadership in the is questioned in the rise of organisational flattening structure and empowerment teams. Self management and self leadership followers emphasizes the development of empowering leadership and suitable for empower leadership. They influence the team by encouraging the creativity, independent actions, team working, self-rewards.

(Manz & Sims, 2001). In my personal view rational are those who suit into the empowerment leadership.

In my view the impact on change management based on The Temperament Matrix (Keirsey, 1987) and representing in terms of percentage.

What is

What's possible?

What

Works

Artisans (20%)

Rational (40%)

Artisans could be a problematic in the initial stage. Once the new process starts they will more productive because they believe on hands on experience. Troubleshooting attitude will encourage them towards the new process as complicity arises.

Rationalist could have both extreme impacts (positive and negative) depending on the change impact towards their personal role because they strongly believe in supremacy.

What's

Right

Guardians (10%)

Idealists (30%)

Guardians are the derive agents of change. They take the ownership for the process to support the organisation for the change.

Idealists acceptance to the change based on stages. They compare the real world entity with the theoretical study.

Temperament Matrix

In my view the persons who suits into change management based on The Temperament Matrix.

What is

What's possible?

What

Works

Artisans

Rational

Developers/ Executives

Functional Heads

What's

Right

Guardians

Idealists

Project Manages / support executives

Users

Temperament Matrix

Source: (Natarajan, November 10, 2010)

Consultants

In my view consultants (Natarajan, November 19, 2010) are the expertises who are brought in to do a specific task for a certain period of time in which the organisation has few or no experts. Consultants have wide knowledge about the specific field and give advice on that subject matter.

Consultants can be recruited within the organisation or tie-up with a consultancy company which has a pool of consultants (eg IBM) and decision is left to the top management to decide whether to have internal or external consultants.

Psychological thought makes us believe that the consultants are always right and organisation views report more seriously when compared to the internal reports. This is because they are independent variables, so is there is no control of superiors over them because suggest things not implement them and they look things differently.

The CONSULT Model

CONSULT models reminds me of the life cycle of the consultancy project which is unique for all consultancy projects. The problem with this model is identifying the issues, no of resource and the time line for the project. In my experience consultants life span is where short over a particular project, in which he need to get adjusted to the organisation standards, culture and nature of a job over a short period of time. Understanding the problem depends on the business analyst who does the knowledge transfer and the consultant has to map the business in the IT world.

Relationship between clients and consultants

Purchase of expertise

The task is given by the client and consultant executes the task.

Doctor/patient model

The task is not given by the client but some information is given in the form of data where the solution should be given by the consultant.

Process Consultation

Here the problems and the task where indentified together.

My experience at ford as a part time consultant. This was high prioritised task, when Process Integration system ford failed to react to one third party applications. The sense of urgency was maintained to handle that task. The ford top management had a serious concern over task as one important application failed. There was short time strategy to resolve within a short

period of time. The group of PI consultant from different firms worked under a single team to handle this issue. There was a difference in the opinions, they where shorted out by project manager and the delivery manager.

Return on investment (ROI)

In my view budget for the IT projects very high, the investor's needs to look into the cost which can be incurred certain duration of time. ROI is analysed before start of the project to decide whether every penny spent is worthwhile. (Natarajan, November 10, 2010)

Benefits

The objectives contribute towards the benefits of the project. Analysing the key benefits will help project team to encourage other members of the organisation towards the success of the project. Benefit realisation will encourage the investors or board of directors and their contribution.

Risk

The risk can be handled but predicting risk in early stages can prevent damages. Risk analysis relives the dead spots in the project and these should take into consideration while implementing the project.

Conclusion

Change can be managed if the change process is controlled. The top management strategy and vision towards change should be empowered.

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