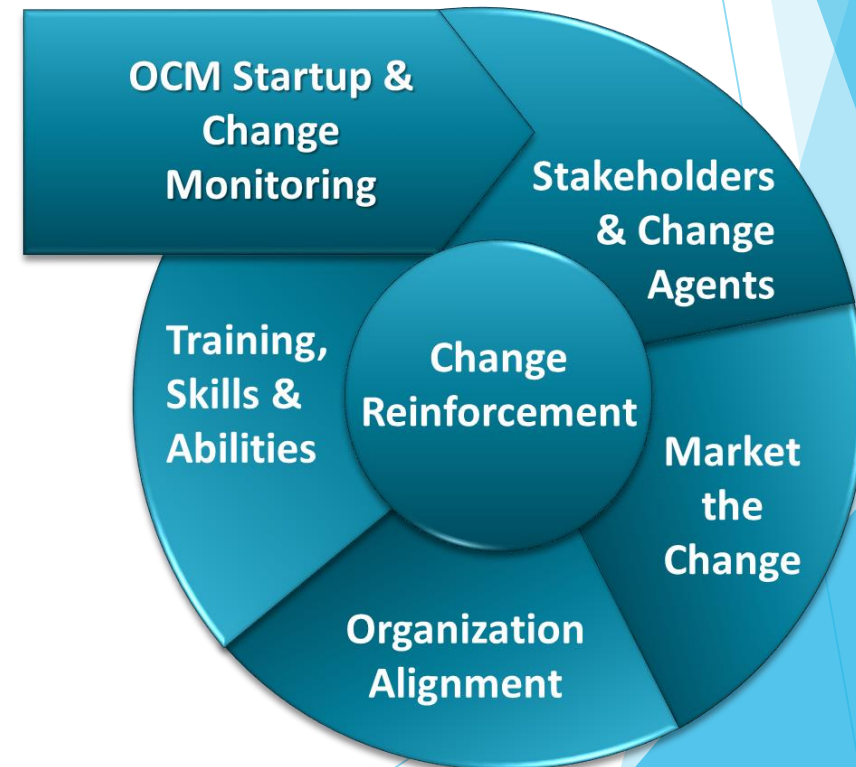# Systems Approach
for
Organizational Change Management

Organizational Change Management (OCM)

Goal of OCM:

- Maximize **value** and minimize **risk** in supporting successful business transformations, process and technology improvements

Organizational Change Management (OCM) has the capacity to *Significantly Leverage Positive Results and Outcomes from change.* Lumenor's OCM approach is the application of a systematic methodology which takes into consideration several major areas when organizing, prescribing and executing an OCM support solution.

The What & Why of Organizational Change Management (OCM)

- What is OCM and how does it apply to Systems Engineering initiatives?

- Why should OCM be considered an important part of any planned change?

- How is OCM a part of Systems Engineering?

Organizational Change Management

▶ Maximize value and minimize risk in supporting successful business transformations, process and technology improvements

  ▶ Identify organizational and human risks associated with the solution implementation that would hinder project success

  ▶ Ensure that timely and appropriate actions are taken to mitigate these risks

  ▶ Successful organizational and human change adoption to permit realization of project benefits

▶ *Change management drives the realization of expected benefits that depend on employee adoption and usage*

Process, technology, people and organizational issues are intertwined and require business leaders to rigorously manage the interactions

Challenges All Companies Understand

Customers want to improve their business and maximize their success by...

- *Measuring performance*
- *Changing Business Models*
- *Extracting value through process improvement*
- *Lowering costs through standardizing processes*
- *Further reducing cost and complexity of Total Cost of Ownership*
- *Accurate / accessible data to make better business decisions*
- *Leveraging best practices to avoid mistakes of the past*

**Companies around the globe set goals and create strategic initiatives to address and mitigate risk.
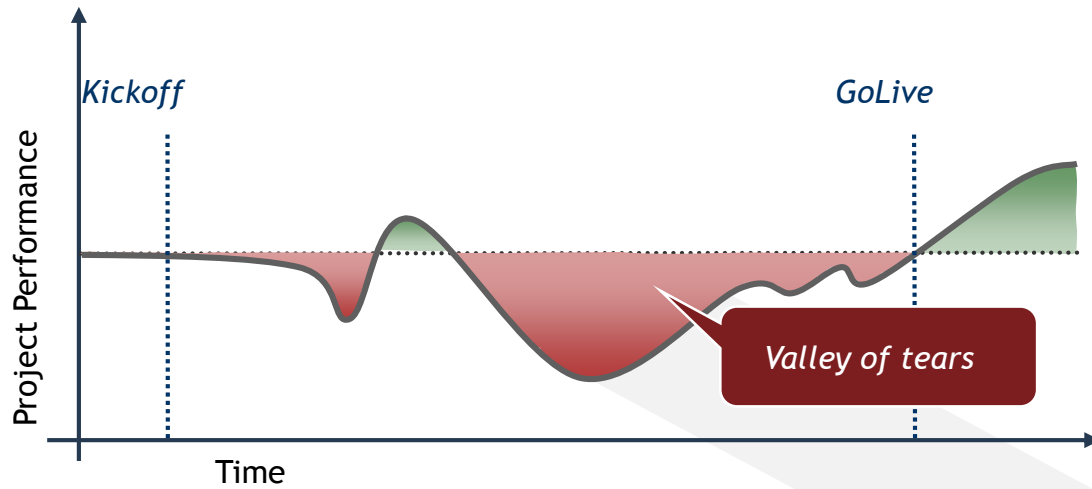The fact is,**

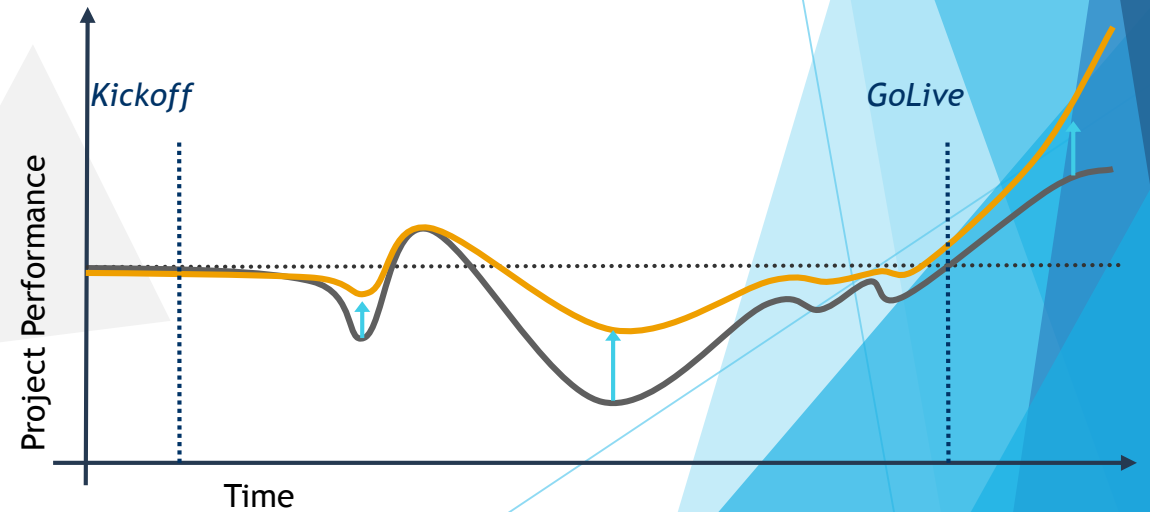*three out of four corporate initiative*

fail to fulfill their objectives*

*Source: PwC Mori Survey 2015, % of 500 companies

Lumenor
Consulting Group

Reduction of the "Valley of tears"
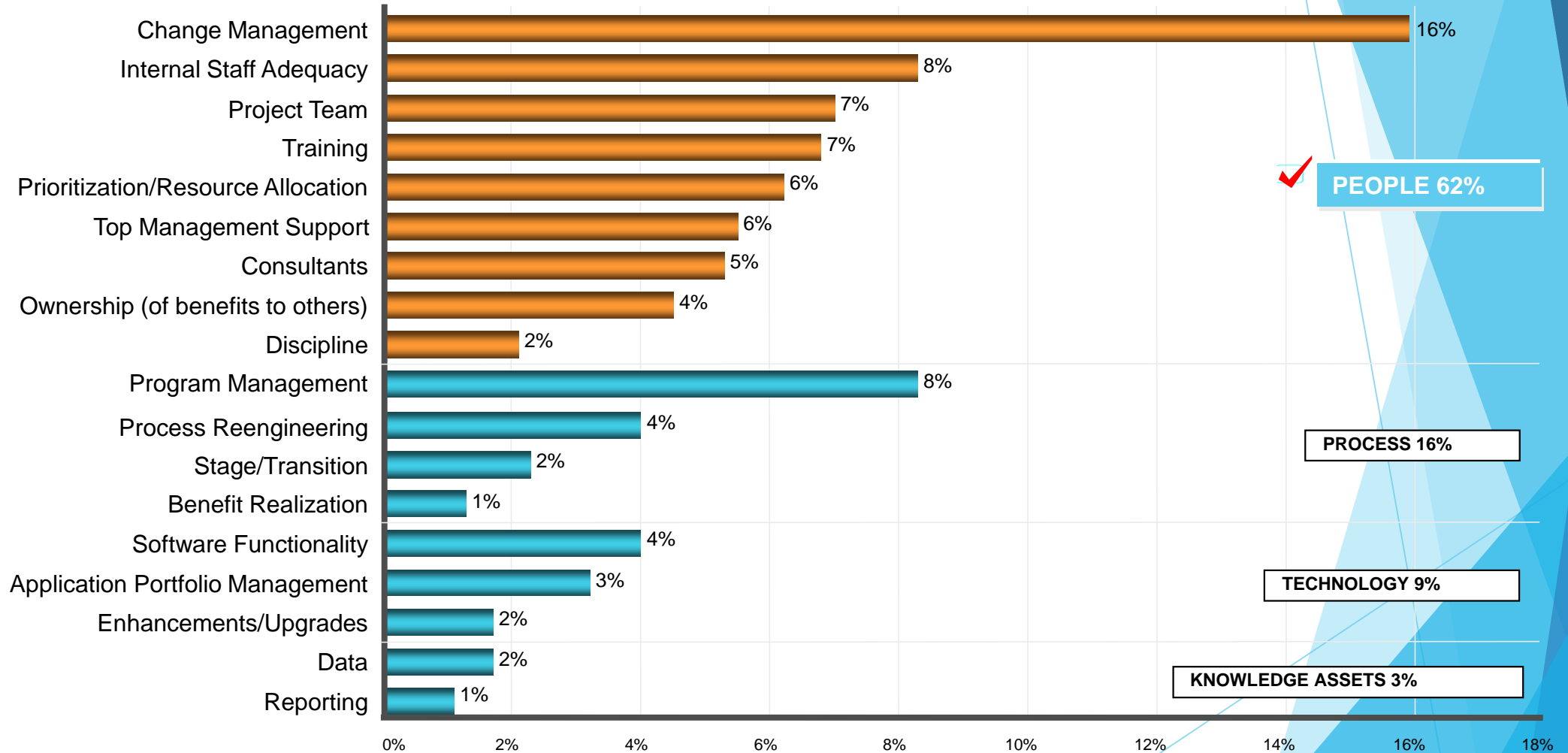
Change, Training and Risk Management Imperatives

Top Issues Organizations Face During Enterprise Resource Planning

Issues/Obstacles Until Now

Issue	Percentage
Change Management	16%
Internal Staff Adequacy	8%
Project Team	7%
Training	7%
Prioritization/Resource Allocation	6%
Top Management Support	6%
Consultants	5%
Ownership (of benefits to others)	4%
Discipline	2%
Program Management	8%
Process Reengineering	4%
Stage/Transition	2%
Benefit Realization	1%
Software Functionality	4%
Application Portfolio Management	3%
Enhancements/Upgrades	2%
Data	2%
Reporting	1%

✓ **PEOPLE 62%**

PROCESS 16%

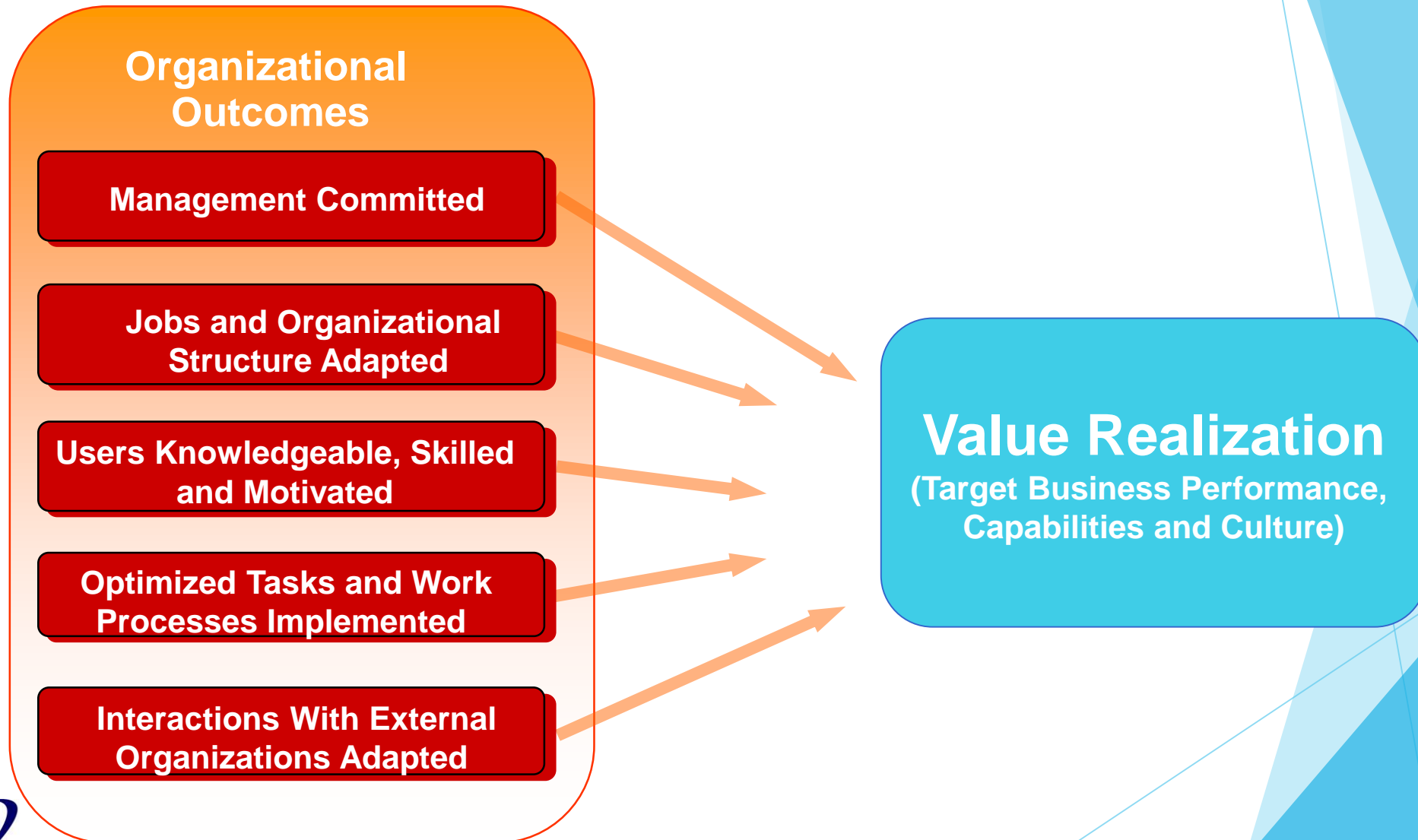**TECHNOLOGY 9%**

KNOWLEDGE ASSETS 3%

Source: Deloitte Consulting and Benchmarking Partners (Based on a study of 62 companies that have gone live with an ERP system)

Note: Rounded percentages; not all categories are shown as bars

✓ **Directly related to Org Change Mgmt & Training**

Lumenor
Consulting Group

Desired Outcomes

Organizational Outcomes

- **Management Committed**
- **Jobs and Organizational Structure Adapted**
- **Users Knowledgeable, Skilled and Motivated**
- **Optimized Tasks and Work Processes Implemented**
- **Interactions With External Organizations Adapted**

Value Realization
(Target Business Performance, Capabilities and Culture)

The Adoption Curve

Our activities focus on enabling individuals and the organization to adopt change
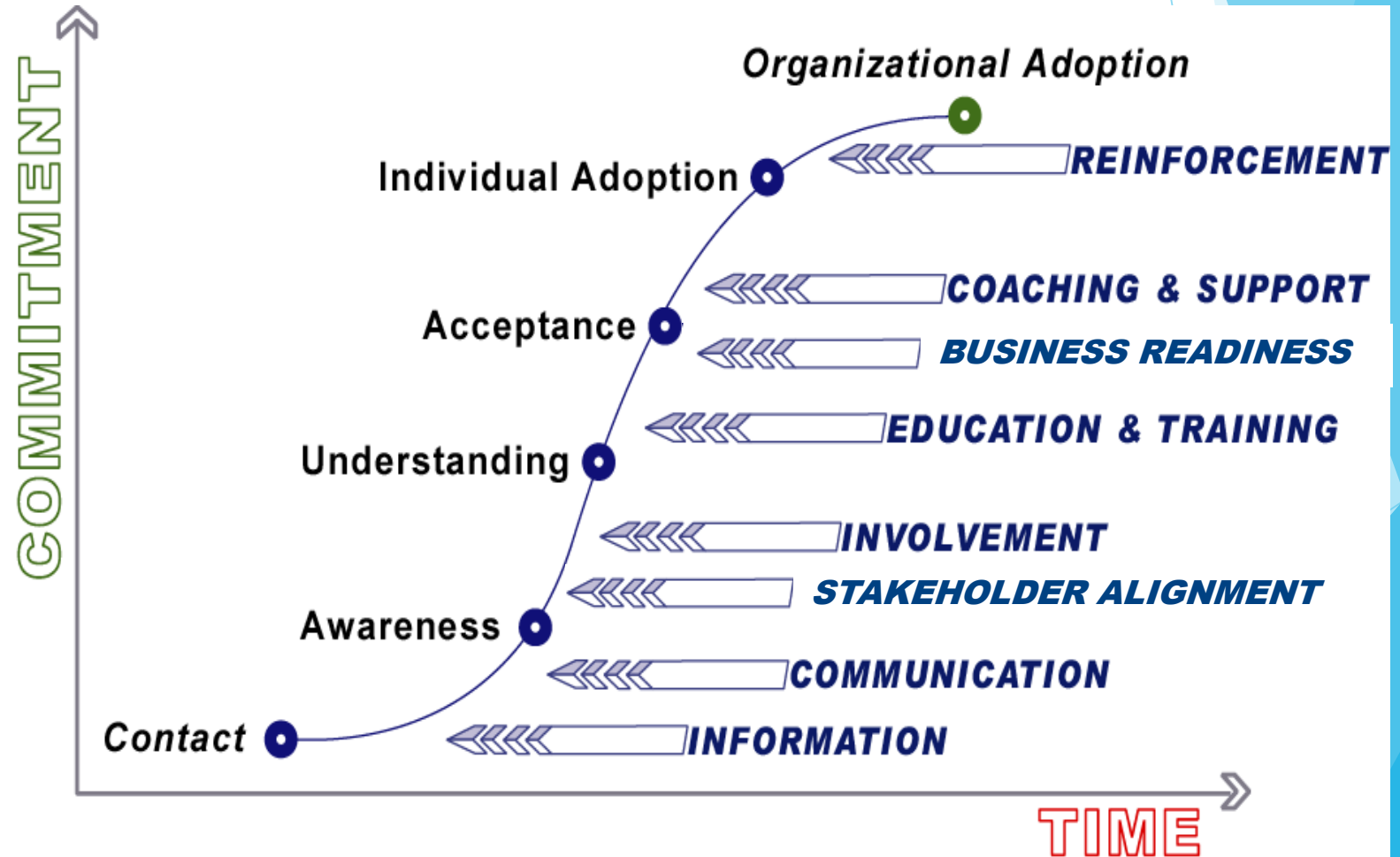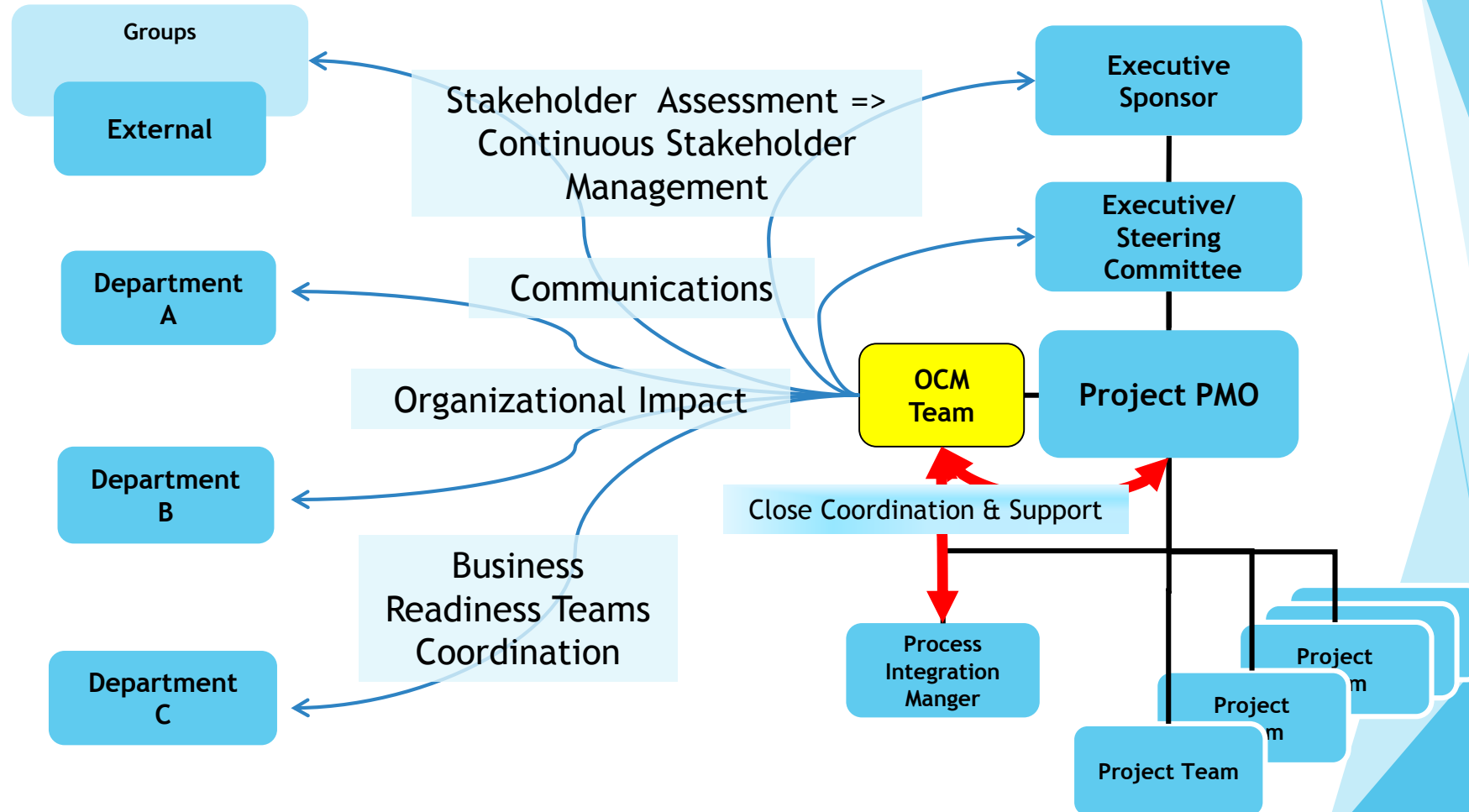
Scale of Change Determines Approach
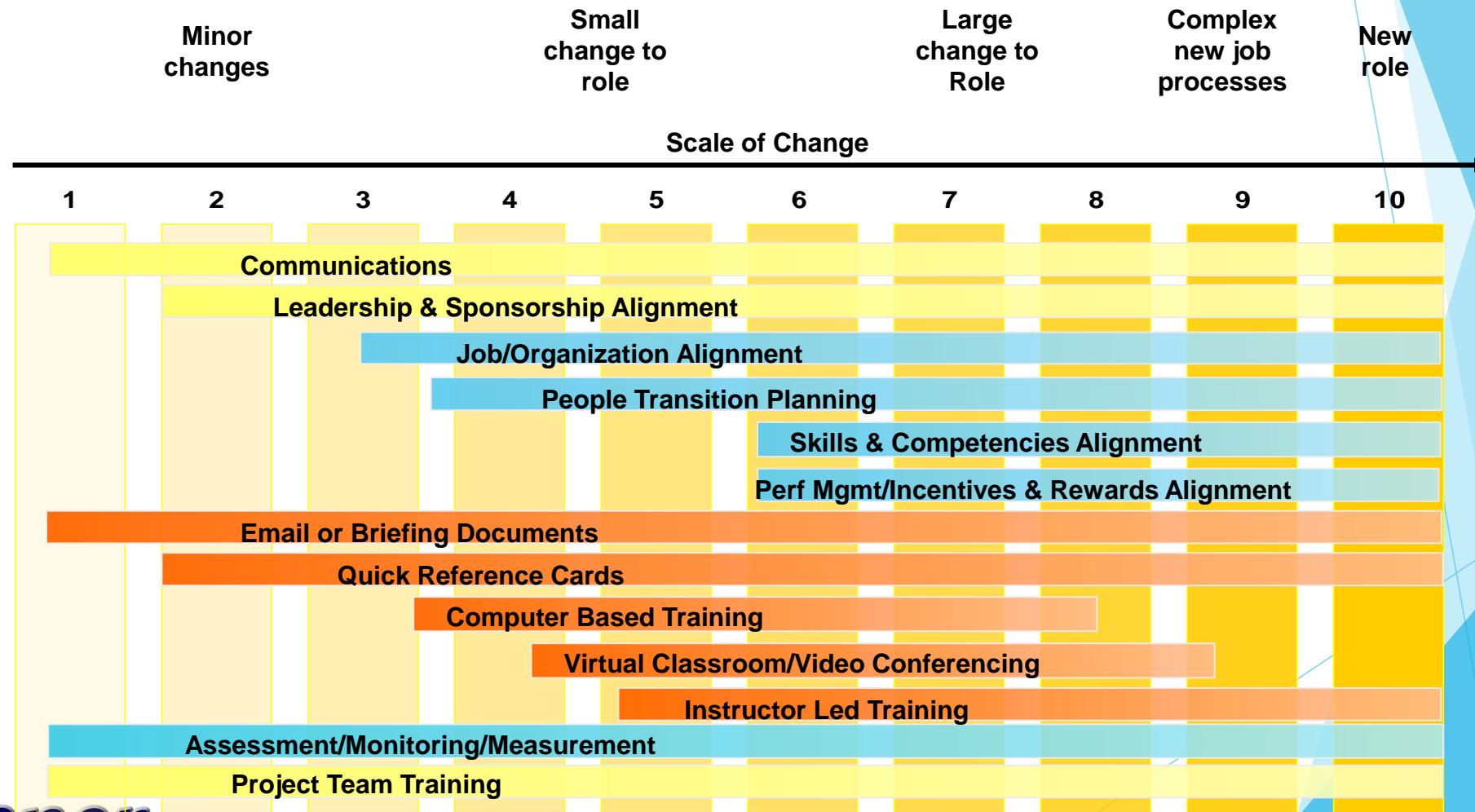
Change Leadership Roles

Where does OCM fit into Systems Approach?

Integrating Change at Key Points in the Project

Challenges We Face

- Lack of awareness of:

  - Project Risk Reduction with Change Management

  - Project Value Delivery with Change Management

  - Current Change Management Capabilities within the organization

- Line Management and Project Management Change Saturation

- Budget, time and resource constraints

The How of OCM, a Methodology Overview

- Provides a high level review of a methodical approach to OCM
- Provides an explanation of the key elements, outputs and general timing of the OCM strategies, interventions and solutions

Living with the Change

- Performance KPIs
- Development of SOPs
- Development of EOPs
- Document Lessons Learned
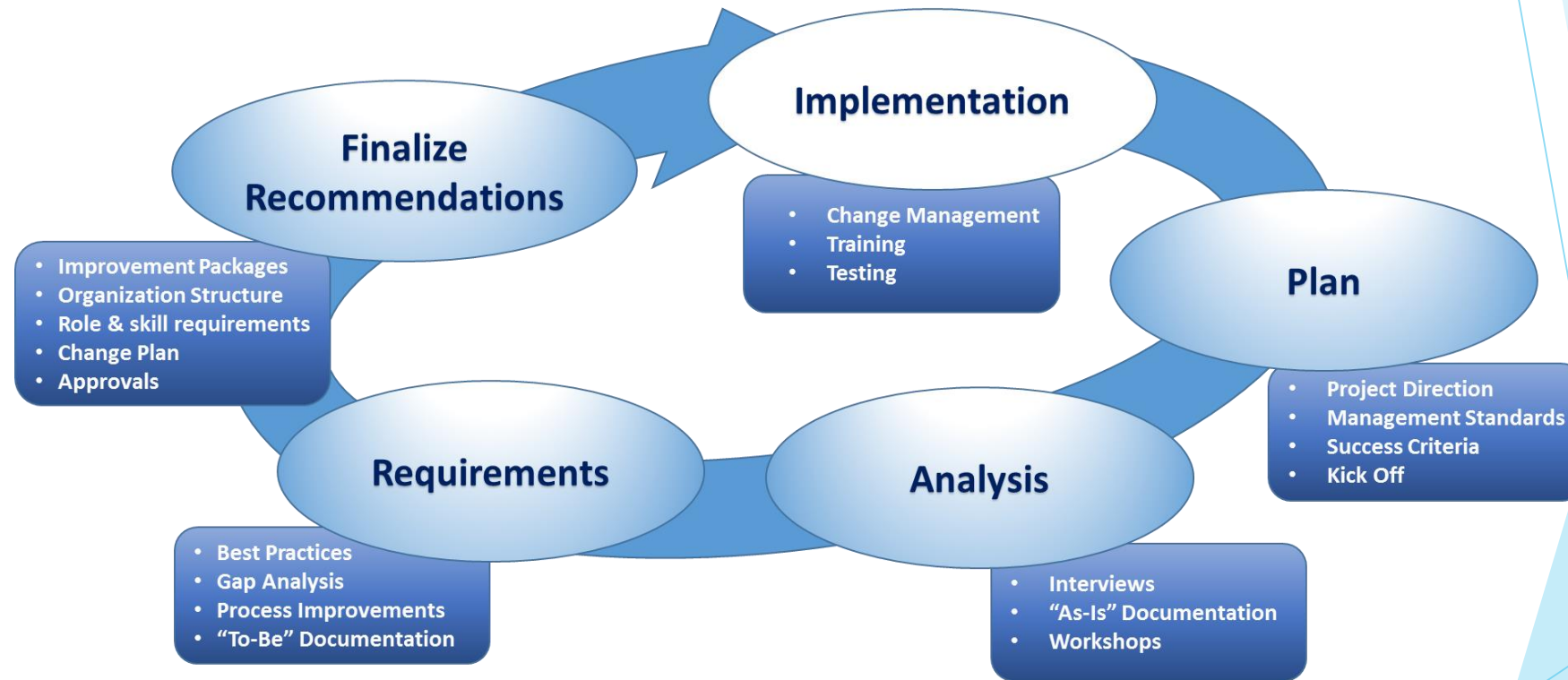- Post Live Assessments & Reporting
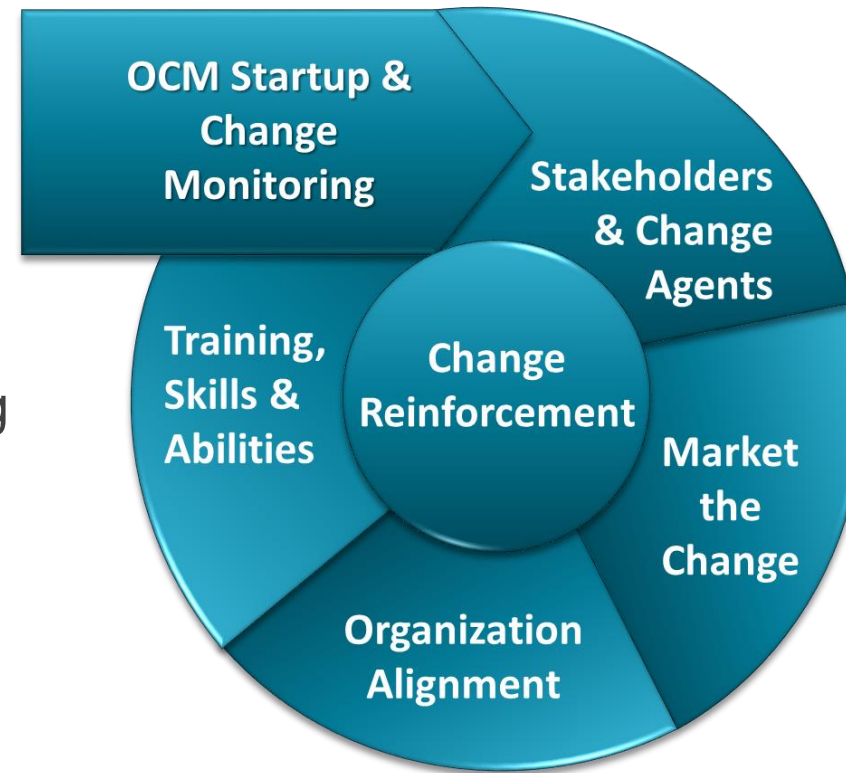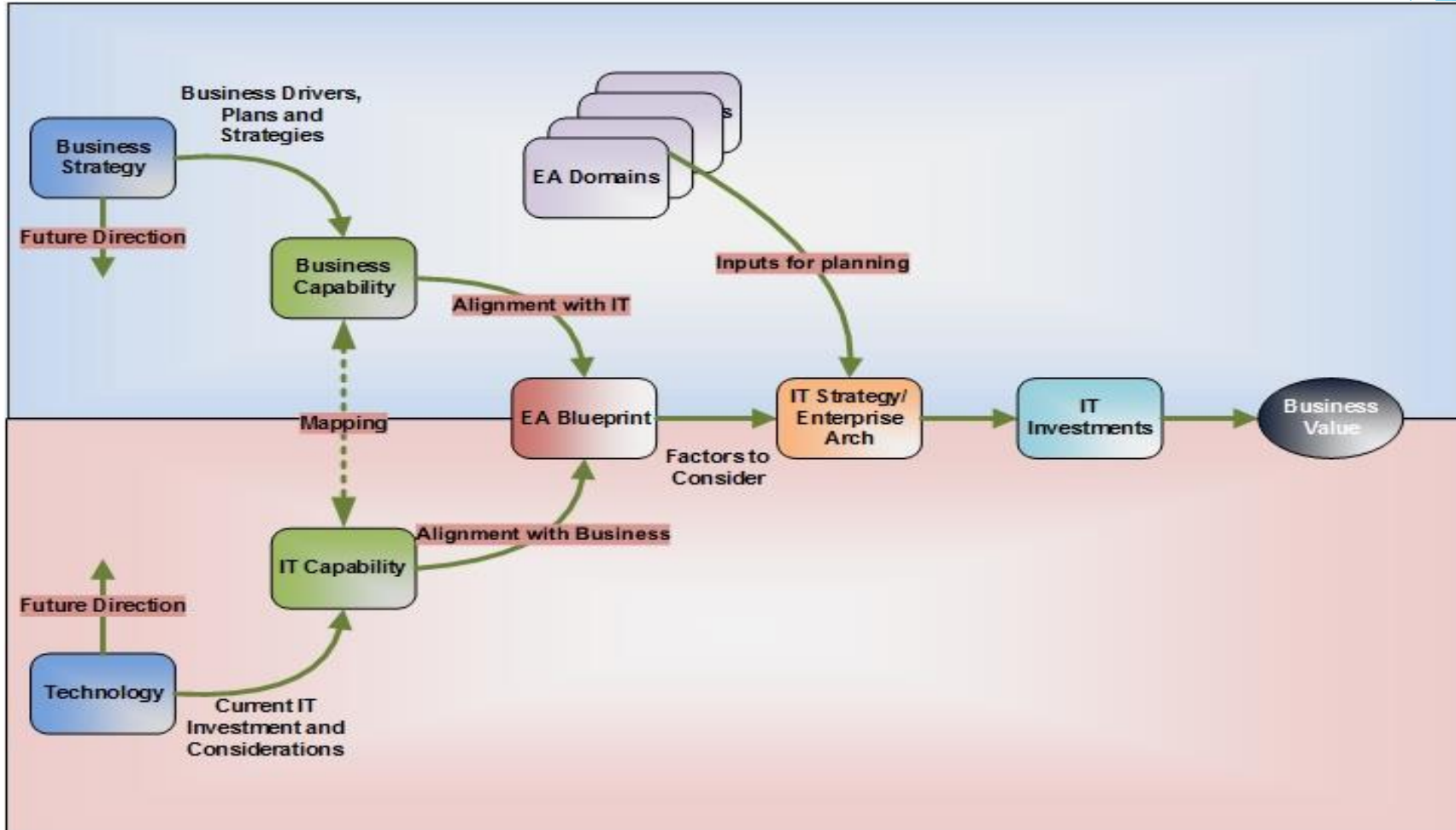
What to Expect with Change > Resistance

- Identifies how the concerns of employees will typically be manifest and discusses strategies that allows organizations to manage that resistance
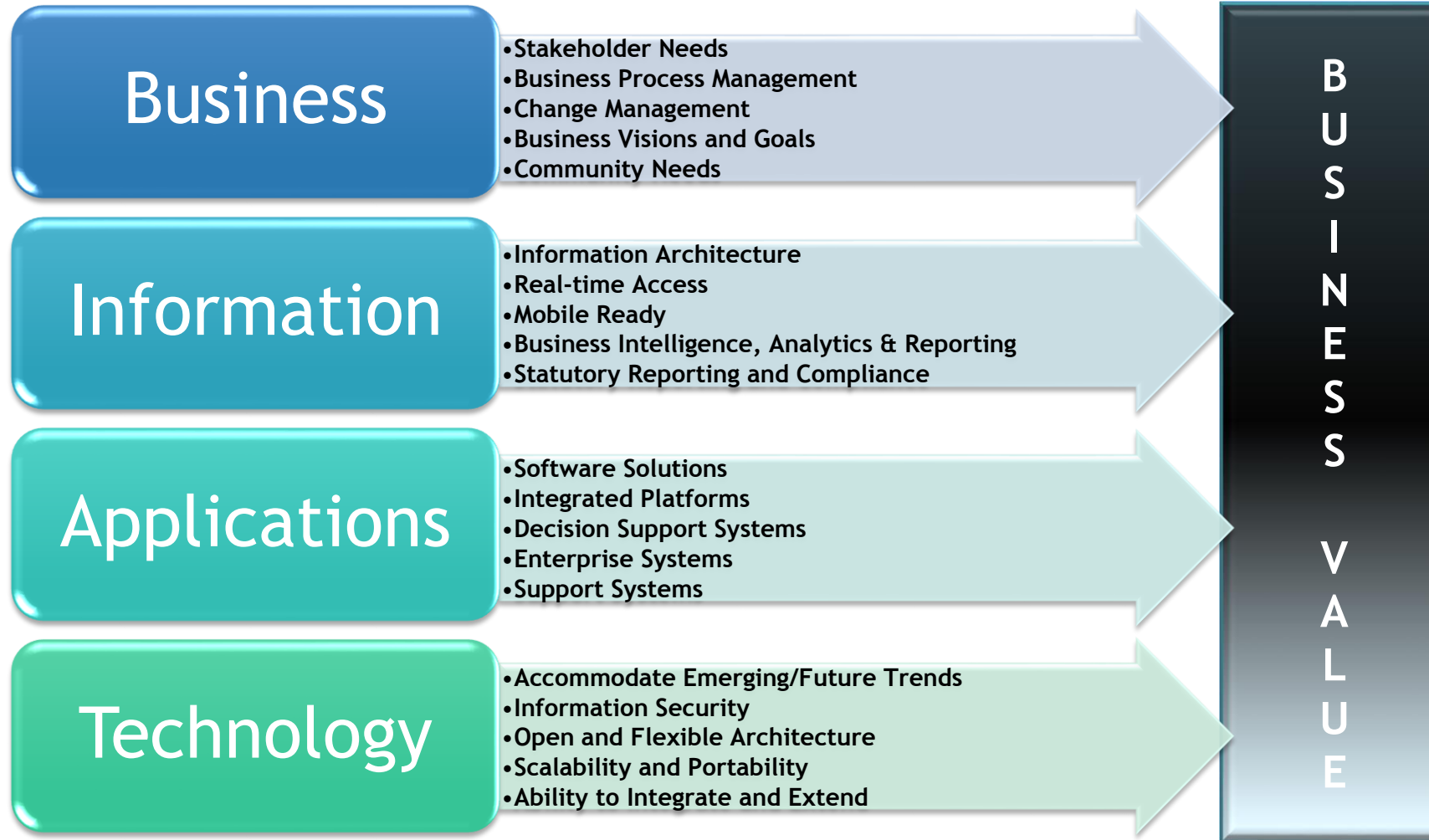
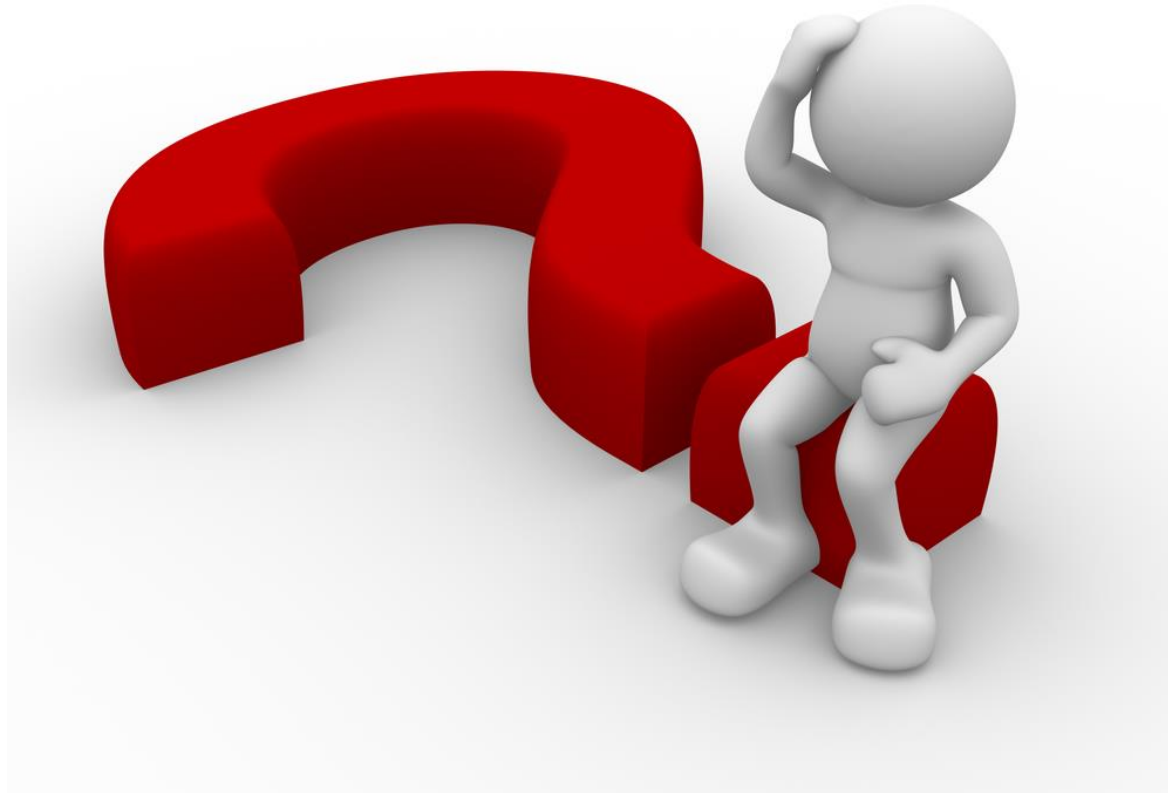# Business Process Transformation

Business & Technology Alignment

Value and Sustainability

Business
- Stakeholder Needs
- Business Process Management
- Change Management
- Business Visions and Goals
- Community Needs

Information
- Information Architecture
- Real-time Access
- Mobile Ready
- Business Intelligence, Analytics & Reporting
- Statutory Reporting and Compliance

Applications
- Software Solutions
- Integrated Platforms
- Decision Support Systems
- Enterprise Systems
- Support Systems

Technology
- Accommodate Emerging/Future Trends
- Information Security
- Open and Flexible Architecture
- Scalability and Portability
- Ability to Integrate and Extend

BUSINESS VALUE

Lumenor
Consulting Group

Questions

Thank You!
Bridgette Karra
BKarra@LumenorConsulting.com

Jignesh Patel
JPatel@LumenorConsulting.com