

IT SYSTEM IMPLEMENTATION AND CHANGE MANAGEMENT

by Jim Cranston

For over 25 years members of the New Management Network have been assisting organizations with change management under the guise of organizational renewal, productivity improvement, diversity types of assignments. We have developed techniques and processes that help organizations deal with such changes, both in terms of defining the *CONTENT* or specifics of the change and equally important gaining the *ACCEPTANCE AND COMMITMENT* to a course of action by affected parties. These same change management techniques can, and should, be employed in the implementation of IT systems.

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The introduction of large scale IT systems, such as SAP or PeopleSoft, has as much to do with organizational change as it does with technology - and in some respects more so. In fact implementing such systems without conducting an extensive business process re-engineering (BPR) initiative is almost “verbooten” (according to SAP and others). While organizations use BPR, extensive training efforts and communications strategies, few companies employ proper change management techniques to IT implementation initiatives. Why is it that IT systems implementations are treated differently than other organizational changes?

Often “soft” skills, (trainers, communications people, etc.) are undervalued on an IT project. These skills are seldom of the sophistica-

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tion or experience of the project manager, development manager or QA leader. Hence these areas become secondary, although much lip service is paid to their importance. The senior staff of IT firms is seldom made up of process based professionals. Similarly, the leading change management techniques have grown out of true management consulting disciplines where the experienced practitioners deal with matters of corporate strategy, organizational structure, global visioning, i.e., "high level stuff". These practitioners may not see the relevance of their skills to an IT implementation or don't know how to deal with the technical issues, details and regimentation that IT requires. Further, the intellectual sets of change management practitioners differ from those of IT specialists. There is a different mind set and language between the two that is even wider than between IT and the business user.

For these reasons change management is still in its infancy when it comes to being employed on major IT initiatives.

Change management (for IT projects) is primarily about dealing with the people dimensions of implementing new systems. However, it is wrong to assume that all people (users) impacted by the new system can be dealt with in the same way. Users can roughly be divided into two groups:

- ∞ transaction driven, as in online transaction processing (OLTP) users;
- ∞ analytical driven, as in online analytical processing



Jim Cranston demonstrates www.new-management-network.com to Carolyn Arnold, Jim Collinson and Marcelene Anderson (standing) and Charlotte Levinson, Bonnie Fowke and Barbara Luedecke (seated) at a Network workshop in Picton, Ontario.

(OLAP) users.

OLTP people use the system on a regular basis to input items on a transaction by transaction basis, e.g., entering: accounts payable vouchers, timesheets, customer payments, etc. In the absence of technical problems (e.g., poor response, clumsy screens, etc.) these users learn the system quickly, their jobs are repetitive, inputs/outputs are well defined. Normal training approaches work pretty well for these users.

Analytical (OLAP) users present a whole different set of issues for the system implementation. OLAP users can be generally characterized as:

- ∞ infrequent system users;
- ∞ unclear about their needs and desired outputs;
- ∞ outputs are derived from data resident in different datasets which must be integrated;
- ∞ usually view themselves as non computer professionals, to

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whom using a computer to do their work is secondary to their skill base and professional training.

OLAP users would include: line managers, marketing personnel, support professionals (HR, legal, public affairs) and executives. To such people new IT systems may have the following impacts:

- ∞ perceived work downloading
- ∞ skill deficiencies
- ∞ perceived “demotion”
- ∞ altered hierarchies and power bases
- ∞ information overload
- ∞ information style mismatch

I submit that the challenge of change management is to deal with the needs/reactions of analytical users, whereas solid training will suffice for the transaction users.

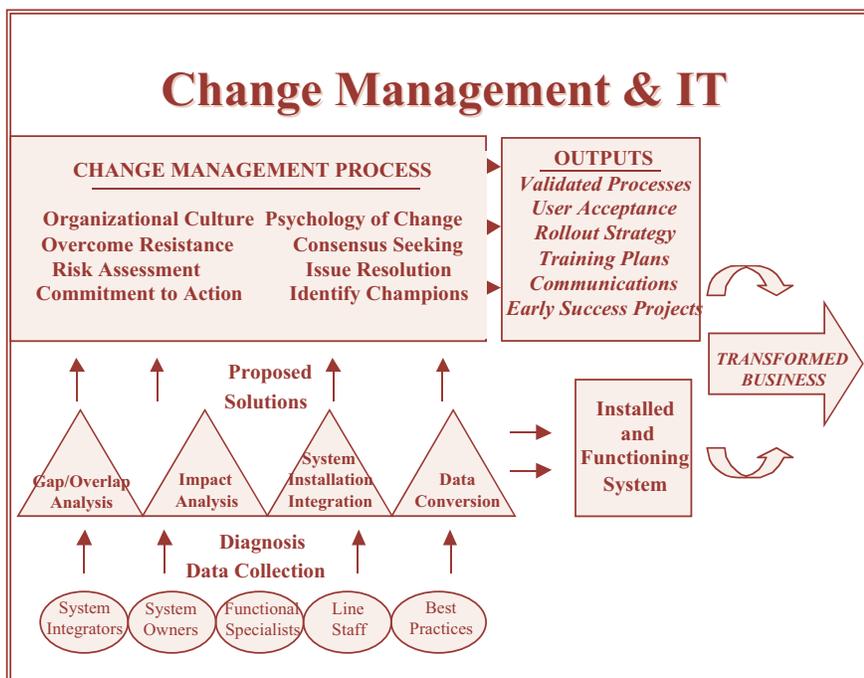
However, in a work flow based system where an electronic file is passed amongst involved parties the scope of the change management challenge has increased. Not only do we need to work with the traditional analytical user, but also those whose job spans both transactional and analytical dimensions.

The change management model employed by the New Management Network is a workshop based approach that addresses both organizational culture as well as the psychology of change. Change is about organization culture, in the sense that culture describes “how things are done in an organization.” From a psychological perspective, the really important thing to understand about change is that it is not just a rational, logical affair. Change grabs people emotionally, and engages them at other levels too. Change affects both conscious and unconscious thinking and behaviour.

Change management is also about dealing with risk. In an IT context risk is associated with user rejection or sub optimization of the system. Its essential that these risks be addressed and managed to ensure both initial system acceptance and continual improvement to lever off the often substantial investment in technology.

Through the workshop process the impacts of proposed changes are identified and confronted. Proposal validation, team building, consensus seeking and areas needing resolution are addressed. Identifying champions, early adopters and overcoming resistance to change are facilitated through the process. Outputs from the process define implementation actions, opportunities for early successes, commitment to a course of action and validated business processes.

The point of all this is that there is big payoff from using sophisticated change management skills and methods in implementing large IT projects, especially those that involve executives and professionals and other analytical users. I am happy to say more and more implementers are doing so. Network members are working with CGI Information Systems, IBM, Sabre Technology Solutions, Sierra Systems Consultants, and SHL - Systemhouse to this end.



The New Management Network

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The New Management Network is a distinctive peer group of independent management consultants who share common professional ideas, understand creative innovation and are dedicated to releasing the human spirit in organizations.

Members of the network serve clients on issues of corporate purpose, strategic clarity, company-wide alignment with direction, teamwork and organizational culture.

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