Process Transformation and Adoption of Change

Today’s businesses face unprecedented challenges and changes. Globalization is creating worldwide competition for resources, talent, and products. Technology advances are eliminating the barriers of time, accelerating the pace of change, and driving many companies to transform the way they operate. Organizations have invested heavily in automating systems to drive their transformation projects. But without educating end users, the risk of failure increases and the result becomes failed transformation projects.

Business Transformation: Now the Norm

- Business transformation is a key executive management initiative to align people, process and technology more closely with its business strategy to meet long term objectives.
- Based on a 2009 study conducted by Capgemini, companies are investing in drastic cost cutting transformations such as organizational restructuring, cross-functional performance improvements, and value-chain optimization.
- 62 percent of IT projects failed to meet schedule and 41 percent failed to deliver the expected business value and ROI based on a survey by Dynamic Markets.

Ensure Effective Adoption of Change

Transforming the business is a key management process that has now become an everyday practice. In other words, managing a business now equates to transforming it. While transformation can have a significant impact on the people in an organization, those same people can have an even greater impact on the transformation.

Project teams are chartered with enabling agile business processes to bring greater results to the organization, all the while managing the people, process, and technology changes. During the transformation, the team must focus on the organization’s ability to effectively capture and communicate “current and future state processes” in a way that keeps both the transformation project and the business going at full speed. By developing standards, guidance can be provided for project team members and help to gain buy-in of the ‘to be’ state of the business processes. The project team can then introduce best practices to execute process innovation, manage knowledge as a strategic asset, and ensure effective adoption of change.

No matter what type of organizational change, whether it be strategic, technological, or structural, and no matter what category of transformation – enterprise, functional, or sourcing – every transformation can have a major impact on the organization – literally changing the way people work. By developing a risk mitigation plan to include end user adoption, organizations can ease any resistance to change.
Adopt a new transformation approach with emphasis on people

- According to a survey of Fortune 500 executives, resistance is the primary reason that changes fail in organizations.
- In a survey conducted by Deloitte Consulting, 80 percent of the CIOs surveyed said that resistance was the main reason why technology projects failed…not lack of skill or resources, but that soft touchy-feely human reaction of resistance.
- In a September 2008 survey on Business Intelligence, 42 percent of respondents cited gaining executive buy-in as a major challenge in the implementation.
- According to Gartner, lack of end user adoption is the number one reason for failed ERP projects.

Ease Resistance to Change

Business or system processes are the linchpin of successful change management efforts. System processes also represent the point at which people and technology meet – or “collide” in cases where processes have not been standardized and change has not been communicated effectively or consistently. The degree to which organizations can standardize their system processes increases the likelihood that people within an organization will understand, embrace and even drive change. The project team must be able to effectively communicate the key changes that are occurring as a result of the transformation. This is particularly important for large enterprises with globally distributed project teams and end users.

Change management requires communication, knowledge transfer, and measurement to ensure success. Project teams must understand the people-related risks as well as the ‘change readiness’ state and develop plans to manage the impact on the organization. If stakeholders are unable to see and feel the compelling reason for the change, then fear, anger, or complacency can take root and cause resistance.

Supporting the human performance side of any implementation is a very critical task. Securing employee participation and buy-in early on in the project will help ease the resistance to change. When users are engaged in the transformation from the project’s inception, the adoption of change and the success rate of the project increases. Barriers to change can never be avoided completely, but by actively addressing them, organizations can increase the likelihood they won’t become show-stoppers.

Gain Executive Sponsorship

Understanding and managing staff resistance to change is one of the people aspects of projects. The other is gaining executive sponsorship or stakeholder engagement. Before embarking on a project, every organization should develop a strategy for gaining stakeholder buy-in. The time and effort leaders must invest to visibly support the transformation should be viewed as a long-term investment that pays dividends long after the project is completed.

Involving executive sponsors in the planning and execution and giving them ample opportunities to understand and influence the process is one way to get leaders aligned and on board. These leaders must also understand the financial impact on the organization if the transformation is not executed successfully. Some organizations even develop incentive programs for executive sponsors and line of business owners to ensure their commitment to the transformation.

About Oracle User Productivity Kit & Oracle Tutor

Oracle User Productivity Kit is a synchronized content development platform that enables organizations to rapidly capture, standardize, and communicate the “current and future state” processes of the organization enabling effective adoption of change. Oracle User Productivity Kit addresses the multitude of systems, processes and dissemination of communication to seamlessly enable process transformation across the enterprise. Combined with Oracle Tutor, the business process documentation tool, these products are catalysts for ensuring end user adoption and easing resistance to change. They enable organizations to successfully design, deliver, and implement a proven change management experience for people, process and technology.

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