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OD and Technology: Delivering the People Side of Technology Change

by Jeremy S. Lurey and Tricia Steege

It is no secret to OD practitioners that IT implementations have a miserable failure rate. In this article two practitioners offer a change management approach for system implementation. Their five "moment of truth" intersection points may help you with your next IT client group.

Introduction

As organizations become globally homogenous, they enhance their ability to deliver products and services faster and more effectively by implementing technology systems. These systems enable shared information and standardization across the organization. Enterprise resource planning (ERP) systems replace old legacy systems and drive integration across functions by allowing them to "talk" to each other. While the benefits are profound, this transition can be overwhelming and painful for employees because system implementation initiatives radically change business processes. In fact, these transitions can be so difficult that 75% of all implementation efforts fail to achieve the desired outcomes.

Effective implementations are dependent upon several factors. OD practitioners can have significant organization influence by utilizing formal change management methodologies that bridge the gap

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between the technical and human sides of change. The purpose of this article is to highlight "moment of truth" intersection points that provide key opportunities for OD practitioners to assist their clients in the management of these complex and dynamic change processes.

A Change Management Approach for System Implementations

In his video documentary "Succeeding with SAP", Michael Hammer defines the most significant point of failure for implementations such as ERP systems, is a lack of investment in change management. To address this critical concern, an approach that includes specific activities and work tasks in the following five focus areas is essential.

1. Organizational Alignment

In the pursuit of competitiveness, organizations often implement multiple initiatives simultaneously. This can lead to unshared vision and non-integrated methodologies. Additionally, ERP implementations significantly impact multiple functional processes. The alignment process ensures buy in from all users by identifying potential impacts to existing jobs and realigning organizations to meet changing business requirements.

During this phase, OD practitioners help organizations be intentional in achieving user acceptance by utilizing processes such as whole system visioning, balanced scorecards, job impact assessments and change readiness surveys.

2. Stakeholder Management

Stakeholder management activities not only raise awareness about the change but also build commitment for the implementation efforts. By creating connections with project stakeholders and managing their individual expectations throughout, practitioners establish the support network needed

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to enable project success. Executive alignment workshops and adopt-a-sponsor programs are two effective ways in which practitioners engage key stakeholders in the project and remove organizational barriers that can derail core team members.

3. Communications

Strategic communication that delivers a multi-vehicle approach and addresses all types of learning styles is critical to the success of a project because it engages the hearts and minds of everyone involved in the change. Communication is the glue that binds employees to the vision, mission, goals and activities. It commences before, continues throughout and exists after the new system is operational. It keeps individuals informed and provides specific content around the primary objectives and key milestones for the project as well as the expected impacts and benefits of change. Only when the "What's in it for me?" question is answered can the organization expect stakeholders to embrace the change with energy, anticipation and willing contributions.

OD practitioners can help client organizations understand the traits of effective communications and facilitate the development and delivery of newsletters, road show presentations, culture alignment sessions and other user support efforts.

4. Team Effectiveness

The nature of ERP technology change forces functions that have operated independently to integrate with other functions in the delivery of products and services. For functions that possess different objectives or historically hold difficult relationships, significant challenges may arise and impact work productivity and ultimately revenue generation. With the added complexities of geographically dispersed teams, issues can quickly become magnified and even crippling if not managed properly.

During, throughout and post launch, OD practitioners add value by providing interventions in teambuilding, conflict resolution and performance management to reward exceptional teamwork as well as individual contributions that enable successful implementation processes.

5. Training and Development

Training and development initiatives educate managers and staff on new processes and prepare them to use new technologies before they are implemented. Effective training leverages a variety of techniques to help users perform their jobs better. Self-study and computer-based training (CBT) programs help users learn new applications and system features on their own. System demonstrations highlight basic navigation and frequently-used transactions through "live" presentations. Classroom training creates interactive learning opportunities for participants with real-life scenarios that mirror day-to-day job functions and can be delivered through a train-the-trainer approach to support end-users spread across distant locations.

OD practitioners can assist by developing curriculum and designing instructor-led and distance-learning opportunities.

Conclusion

Utilizing change management methodologies similar to those above provides clear business benefits when implementing complex ERP systems. It generates visible executive involvement and alignment throughout the project. Additionally, it offers decreased resistance as a result of increased employee participation and enhanced understanding of the project objectives. Sustainable change occurs when individuals are ready, willing and able to complete the transition process.

Accelerated transition and improved timeliness of realized benefits are some of the other direct benefits gained from utilizing a formal change management

approach. A cohesive project team is also more motivated to achieve the primary business objectives. They are more likely to deliver on time and within budget when they experience this approach of infusing OD practices into the systems development life cycle. By learning to speak the language of the IT professionals responsible for managing technology initiatives, OD practitioners have a tremendous opportunity to influence the success of such projects by engaging users, team members and key stakeholders throughout the transition process.

It's not just about the software; it's about organizational readiness, people and change. The technical problems with ERP initiatives are the easy problems to manage. The greatest challenge in a complex ERP implementation is managing the human side of change. As Michael Hammer states, "The soft stuff is the hard stuff."

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