

CHANGE MANAGEMENT GUIDE

Managing Transformation.

How to Drive Project Success and Deliver Return on Change™



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No one invests in a major change initiative such as a digital transformation or system implementation, thinking it will fail. Yet, success rates for this type of project have historically fallen short – and the pandemic only exacerbated the challenges. One-third of executives RGP surveyed said it’s become more difficult to successfully execute their mission-critical initiatives – with only 15% of companies achieving key goals.¹

CIO reports that transformational initiatives still fall flat at an unacceptable rate, despite improvements that organizations have made in recent years. Unlike the notorious project failures of the past, however, unsuccessful outcomes may just mean the project does not deliver all of its expected benefits.

As RGP’s Ken Taylor, VP Program and Project Management, explains, “A project isn’t just a binary thing where you succeed or fail. If you fail, you may lose millions of dollars – and never recover credibility with your executive team. If you succeed, then you are one of the few that’s been able to say, ‘I got business value out of this.’”

The stakes are higher than ever. Since 2020, organizations we surveyed have been managing an average of 20 transformation projects at any given time. Those that have been most successful in executing these initiatives have adopted a revolutionary Dynamic Workforce model, with transformation teams composed of a highly intentional mix of internal and outside talent.

Planning for the ‘People Part’ of Transformation

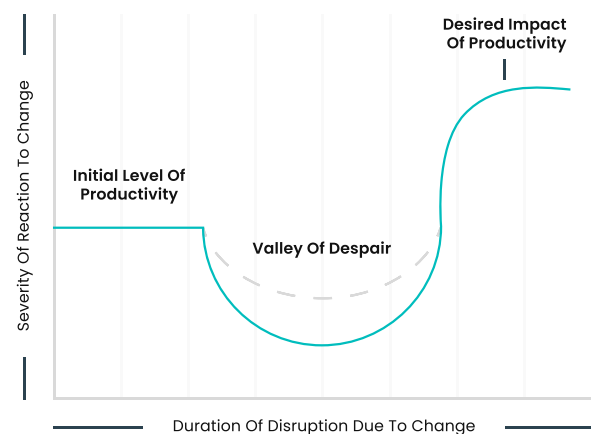
Many projects are destined to fall short simply because they haven’t adequately planned for the “people part” of transformation. In fact, people-related issues account for 7 of the top 10 reasons that projects fail (Prosci²).

For example, migrating to a cloud ERP system and adopting the related changes to processes, roles and policies can result in significant differences between how work is performed today versus in the future. If not addressed correctly, this transformed future state can cause organizational misalignment with significantly lower workforce productivity – a dip often called the “valley of despair.”



Tip: Integrate change management throughout the project, starting with planning. Often, change management is perceived to only be necessary right before go-live – and that point of view puts the project at risk.

EFFECTIVE LEADERSHIP & CHANGE MANAGEMENT



You can mitigate this risk by investing in end users’ willingness and ability to perform their work better once the new system and processes have been implemented. An effective change management strategy accounts for the human impacts as well as process and technology issues, enabling you to reduce the time it takes your organization to return to productivity by 50%.

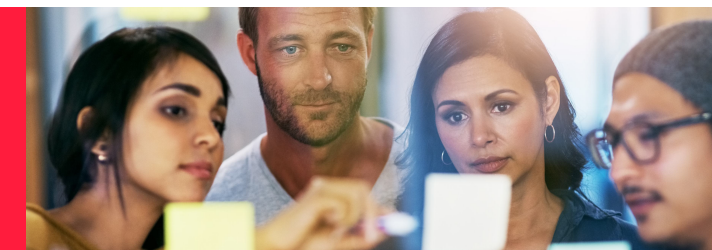


50%

Faster Return To Productivity With Effective Change Management (Prosci²)

Supporting Your Organization's Change Journey.

Bringing together the best of leading change management practices, the RGP Return on Change™ Framework offers a proven approach to successfully implement and realize the benefits of transformation initiatives.



Align.

Build Sponsorship Across Key Leaders If your leadership team isn't aligned, employees will get conflicting messages, impacting the success of your transformation. Workshops with leaders resulting in clear action plans are the first step in creating a united front.

Competing priorities, insufficient decision rights and disagreement on the path forward make it more challenging to achieve and maintain alignment. Playbooks can help you gain buy-in and rally leaders around change initiatives.

Establish a Vision for the Change Journey and Align Leaders Around It

Everyone wants to be associated with a successful initiative, and this starts with leadership setting a clear direction for the transformation, including a robust project vision with the following key components:

- A detailed reason for why the change is needed, including business strategy and technology considerations
- A picture of what the future state will look like, emphasizing benefits to the customer, the workforce and the organization (in that order)
- Key expectations for what the workforce will need to do differently in order to achieve the change
- A call to action for the organization to join leadership on this journey

Communicating and sharing the project vision with your workforce early and often will help maintain leader and organizational alignment — and serve as fuel to help drive the organization toward the future.



Tip: Consider adding pulse checks to your leader action plan to capture feedback on progress and keep leaders engaged.



Desired Outcomes:

- Greater awareness and motivation to change
- Collaboration and alignment among leadership
- Effective strategy execution



Define Key Change Metrics

Without metrics, it's difficult to determine if your leaders, managers and workforce are truly prepared for a transformation. Engagement, readiness, proficiency and adoption metrics provide key insights to mitigate risks around people and performance. Measuring awareness, understanding, buy-in, ability and productivity will help you further assess successful adoption.

Finally, connecting change metrics to the achievement of business metrics (such as demonstrating how adoption will enable cost savings) can provide valuable insights on ROI.

“Companies whose leaders and employees are aligned on enterprise objectives, organizational goals and future-state vision experience 12% more benefits from change initiatives.”

RGP Research: Human Agility in the Now of Work

Engage.

Building out a robust engagement plan ensures that you're not just meeting expectations but gaining organizational buy-in. If you've already identified your stakeholders and organized them by key roles, the next step is to document all the impacts of the upcoming change to their areas of ownership, so you can more proactively support your workforce.

Drive Awareness and Enthusiasm

Even when people are excited about the change, they still worry about what to expect. Providing employees with the right communication, training and resources helps them understand how the transformation will make it easier to do their jobs – and eases that anxiety.



Tip: Take your strategy to the next level with a peer-to-peer support network to sustain the change, increasing understanding, acceptance and adoption.

Develop a Robust Training Strategy

Don't wait till go-live to develop a strong learning environment with the right mix of training and performance support, including a tailored learning needs analysis and learner curriculum.

Workforce learning and development is complex and challenging. At the same time, learner expectations have never been higher. Tap your internal subject matter experts (SMEs) to help you customize a role-based training plan, using a "train-the-trainer" approach to enable the right capabilities and performance.

You can reach the next level with best-in-class formal and informal learning strategies, dynamic content, gamification and other tailored experiences.



Desired Outcomes:

- Stronger skills to support the future of work
- Reduced barriers to adoption
- Greater engagement and retention of staff



Activate a Change Agent Network

Creating a network of "change champions" is essential to driving and supporting new ways of working across teams, departments and functions. People are much more likely to embrace change if they're encouraged by their peers. Involving select managers and team members is a great start to building a coalition of support. Developing manager readiness and peer engagement activities centered around your compelling case for change is the next step on the path to achieving critical mass.



Tip: Make sure that you support, recognize and reward your key influencers as they champion your current and future change initiatives.

Sustain.

Drive Acceptance and Adoption

Investing in performance support will help your workforce along their learning journey, plus maximize productivity in the future state. Because it's about your people and how they get their jobs done — and whether they want to learn and adopt Desired outcomes: a new way of working. A performance support plan offering a self-service option, access to SMEs and other tools can turn learning into ability.

Training alone is not enough. Your workforce needs the ongoing structure, resources and tools to operate effectively after go-live. Access to the support of internal business SMEs combined with common user scenarios can help you drive understanding of new business processes and workflow.



Desired Outcomes:

- Business and cost objectives achieved
- Ownership of change readiness
- Greater agility, innovation and change muscle



Tip: Implement a continuous improvement strategy and structure post-go-live to optimize new ways of working and attain maximum benefits.

Develop Change Agility and Improve the Culture

To build an organizational change muscle, your leaders and managers must be prepared to actively reinforce the new ways of working prior to any shift to the future state. A leader and manager sustainment plan, including coaching, playbooks and readiness scenarios will prepare your team for success.

Leaders and managers want the right resources to support their workforce. Readiness surveys and coaching can help you prepare your team to lead the charge, highlighting and addressing areas of opportunity for improvement. Targeted leadership development with a focus on change agility can continue to grow your change muscle, preparing your business for anything that comes its way.

Finally, as our Human Agility research revealed, leadership isn't just about management — it's about mindset. And distributed leadership is one of the core characteristics organizations need to successfully navigate disruption and capitalize on opportunities.

“There is no digital transformation without cultural transformation - period, full stop.”

Jay Ferro, EVP, Chief Information, Technology & Product Officer, Clario³

ASSESS YOUR READINESS FOR CHANGE

Is your organization ready to successfully manage transformational change? Take our **3-minute survey** to assess your organization's readiness for transformation and ability to deliver a return on your change investment.



About RGP

RGP is a global consulting firm focused on project execution services that power our clients' operational needs and change initiatives, utilizing on-demand, expert and diverse talent. Our highly experienced professionals partner with clients on mission-critical projects, typically precipitated by business transformation, strategic transactions or regulatory change. Our engagements are designed to leverage human connection and collaboration to deliver practical solutions and impactful results for our clients, consultants and partners.

Headquartered in Dallas, Texas, RGP is proud to serve 88% of the Fortune 100. Visit [rgp.com](https://www.rgp.com) to learn more.

Return on Change™, powered by Kotter

RGP's strategic partnership with Kotter helps businesses drive and sustain change through a 90-day alignment and accelerator framework. Our Return on Change framework combined with Kotter's Accelerator methodology enables your organization to set aside distractions and focus on achieving "seemingly impossible, but achievable" goals in 90 days or less.

Sources:

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PCIO, October 16, 2023

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2. Prosci Best Practices in Change Management

<https://www.prosci.com/resources/articles/change-management-best-practices>

3. Transformational CIO: Strategy and Operations

CXO Talk

<https://www.cxotalk.com/episode/transformational-cio-strategy-operations>