



Procurement Transformation Done Right

***The importance of prioritizing
Organizational Change Management
for effective business transformations***



What is Change Management?

Change management is the process of managing a business or digital transformation in order to ensure that the desired outcomes are achieved.

It is a systematic approach to understanding, planning, and implementing a change in order to meet business goals.

Change management should be a critical part of any business transformation effort from the very beginning. It helps to ensure that the changes are properly planned and implemented.



However, many companies don't even think about change management before starting a big, transformational project. Without proactive and comprehensive change management your transformation is likely to fail.

Change Management is both a goal and a project

The only time an organization doesn't need to worry about change management is if it's only making a small change with little to no impact on stakeholders.

That may mean something simple, like going from not having a policy to having a policy, or just having an employee click this button instead of that button.

But if a true transformation is the goal, then your change management strategy should be a primary and consistent focus of the project.

Change management can even become its own project depending on the size of the implementation or upgrade and the number of departments being impacted.

"It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change." - Charles Darwin

Why Prioritize Change Management?

A lack of focus on organizational change management results in unpredictable and expensive company transitions, which wastes critical time and resources. It also lowers employee morale and skill development.

Business transformation has become a critical part of survival in today's business environment. Companies must find ways to adapt to new regulations, rapidly changing markets, and ever-evolving customer demands.

Change management is an essential strategy for successful business transformations. It ensures that a business transformation is successful, efficient, and cost-effective.

However, many of these transformations fail due to an innate resistance to change. It's not unusual to see situations where a company puts a LOT of resources into a new process or system, assuming that people will just start using it.

Change can be complex and often people try to find ways to revert back to old behaviors, or bypass new systems and processes if compliance isn't properly enforced.

That defeats or reduces the effectiveness of the change and can often result in inaccuracies, reduction in standardization or complete failure of the transformation.

A 2018 McKinsey Global Survey showed that, across all types of transformations, only 37 percent of responders reported successful implementations.



4 Factors for Successful Change Management

1

Leadership
Advocacy

Communication

2

3

Alignment of Roles
and Processes

Training

4

1. Leadership Advocacy

Most companies underestimate the importance of Leadership Advocacy when it comes to implementing a successful process improvement project.

Failures and delays can be avoided if there is a comprehensive change management strategy in place from the beginning of the project to the end. It starts with Leadership Advocacy.

Leadership advocacy requires buy in from across the executive spectrum.

3 Factors for Effective Leadership Advocacy

1. Project Sponsorship

Executive buy-in is important in business transformation because it provides the necessary support, resources, and commitment to make the transformation successful. Without it, there is a lack of commitment to the transformation and limited resources for implementation.

2. Bolstering Vision and Mission

Creating a mission and vision is a way to emphasize the benefits of a big project, to help potential users understand exactly why this is an important and transformational step for the company. It is critical to take a values based approach to demonstrate the value of change to your stakeholders.

3. Fostering Accountability

This gets to the core of resistance to change from users. When a potential user doesn't want to change, they may push back and try to circumvent the system. This sometimes results in users not being held accountable. Determine how you want to manage compliance and ensure compliance is managed through configuration.

2. Communication

Communication is an essential part of any business transformation. It ensures that all stakeholders are aware of the changes taking place, the objectives of the transformation, and the timeline for implementation.

3 Factors for Effective Communication

1. Transparent, Early and Often

It's not enough to just let potential users know that the company is going to adopt a new procurement system. Keep in mind, this is a long process. Start communication during the evaluation process, after the system has been chosen, and along the way as the project progresses.

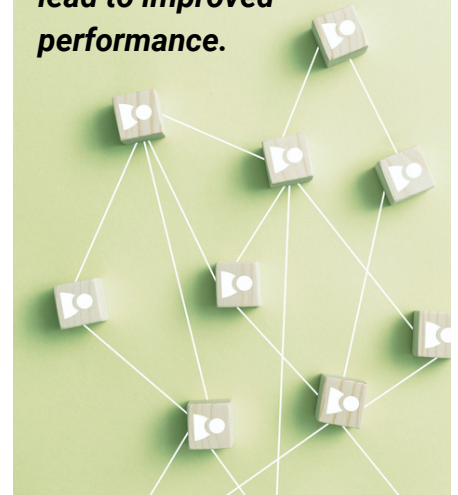
2. Targeted, Impactful

Make updates specific to the users and to how the coming change will affect them and their jobs. The idea is to clearly and specifically communicate how the system will affect those particular people or departments, especially focusing on how it will benefit them. Also, ask for input and listen to it and act upon it.

3. Share Wins and Lessons Learned

Emphasize successes and acknowledge improvements that need to be made so users know you are not ignoring concerns they may have or technical difficulties that they are encountering.

When changes are well-planned and communicated clearly to all impacted employees, it can help to create a sense of ownership and commitment to the changes. This can lead to increased motivation and engagement in the organization, which can lead to improved performance.



3. Alignment of Roles and Process

The key messaging should be around the positive changes that will occur for stakeholders. However, changing processes may mean changes to the way your teams operate. Help them understand the positive benefits to that change.

3 Factors for Engaging Employees in Future State

1. Establish Future Roles and Processes

Raise awareness of the target state and increase future state understanding of the employee’s role in that future state. Understand who the key stakeholders are and group them to define proper engagement.

2. Have a clear plan for the end state

Assess and understand project impacts on people, process, and technology to identify needed change management activities. Throughout the project, monitor people and organizational readiness for deployment.

3. Create a values-based approach to change

Learning that ones role may change significantly can be stressful. Creating role-based messaging focused on the benefits to the change and giving clear direction for the future will help to alleviate the stress of the impending changes.

How to communicate that change is different for every company, but one good approach is simple transparency. If people know what’s coming and how their job is going to change because of Ariba, it makes them more comfortable and more open to adapting.



4. Training

Proper training is a crucial component in both the initial and the ongoing success of your process improvement project. However, training needs to be targeted, impactful, and well-planned.

3 Factors for an Effective Training Plan

1. Understand Skill levels

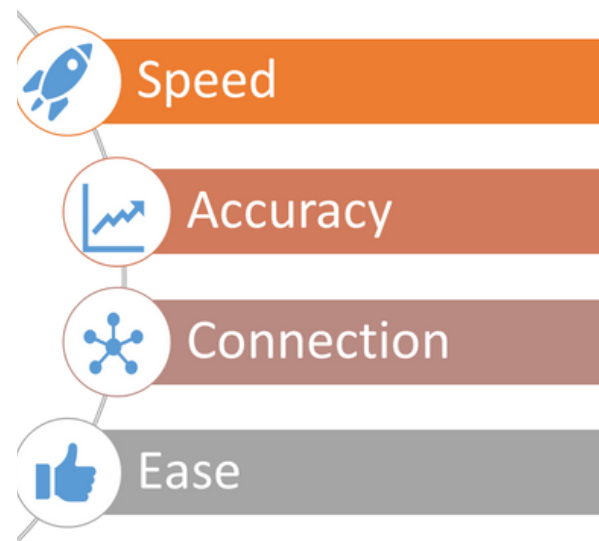
Training shouldn't be one-size-fits-all. When creating a training plan, you should work with change champions and key stakeholders to understand and rank the skill sets of their teams to plan and prioritize learning journeys.

2. Targeted, Digestible Content

Be sure that training materials only target that department's or individual's needs, there is no need to train people on irrelevant functions. Focus on tailored messaging to audiences delivered in smaller sessions that can be easily absorbed. Much like with communication, training should begin early and focus on continuous learning to support roles and functions.

3. Leverage Various Mediums

Initial training establishes a foundation for learning the system, but it should be ongoing to keep user on board. Create quick reference guides and how-to videos that are easily accessible to employees. The help desk should also be trained to direct users back to self-service options if they open a ticket for tasks that have easily assessable instructions available.



Transformation

Improvements to your supply chain systems are an opportunity to focus on transformation and how the project will support your organizational goals.

Assessment. Roadmaps. Support.

To make that transition successful, a comprehensive and targeted change management strategy is essential to efficiently and effectively execute the transformation. Change management improves communication reduces risk and ensures targeted ROI goals are achieved and maintained long-term.



Interested in learning more? Visit the links below.

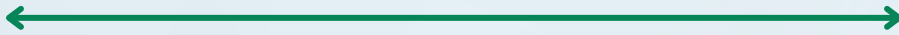
[The Importance of Change Management in Successful SAP Ariba Deployments](#)

[Communication](#)

[Alignment of Roles and Processes](#)

[Training](#)

[Transformation](#)



What sets CCP Global apart is our unique, customized project approach that allows us to support each clients' needs, goals, and budgets. From the initial assessment to post-project support, we offer a targeted approach that enables us to provide consistent results with high-quality, on-time project deliveries.

The source-to-pay landscape is continually evolving making it more complex to keep up with the improvements and innovations that can optimize your supply chain solutions.

We offer the deep expertise companies need to keep their systems current and running at peak efficiency. We believe in creating true, long-term partnerships with our clients because your success is our success.

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