

## Micro case study

### Effective change management after a major software update: beware of key managers !

#### The problem

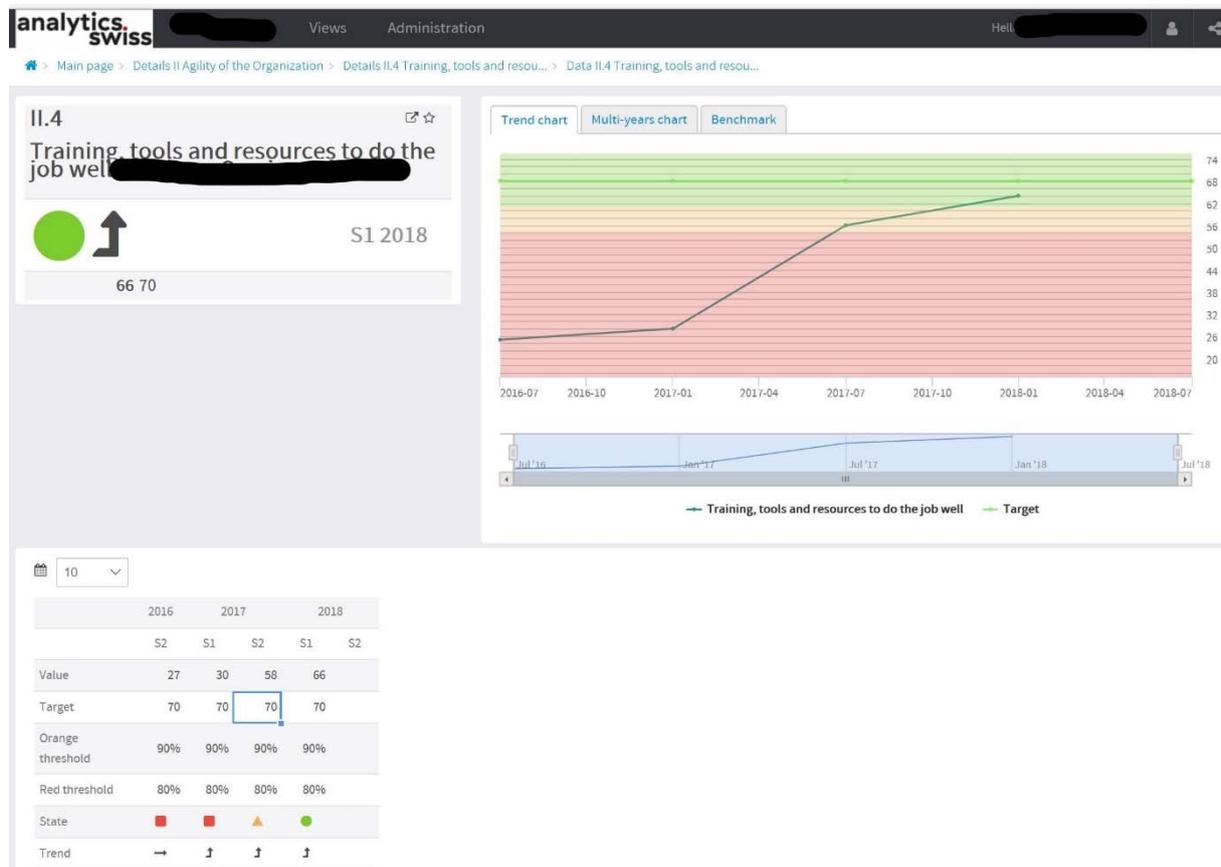
With 400 FTE, this company provides outsourced services in Europe. She was using a 15 years old custom made software which covered all business needs. The company eventually decided to set up a new software. They allocated 10 million CHF to a provider. After 2 years the V1 was released.

Unfortunately, the productivity dropped significantly, causing delivery delays and, consequently serious cash issues.

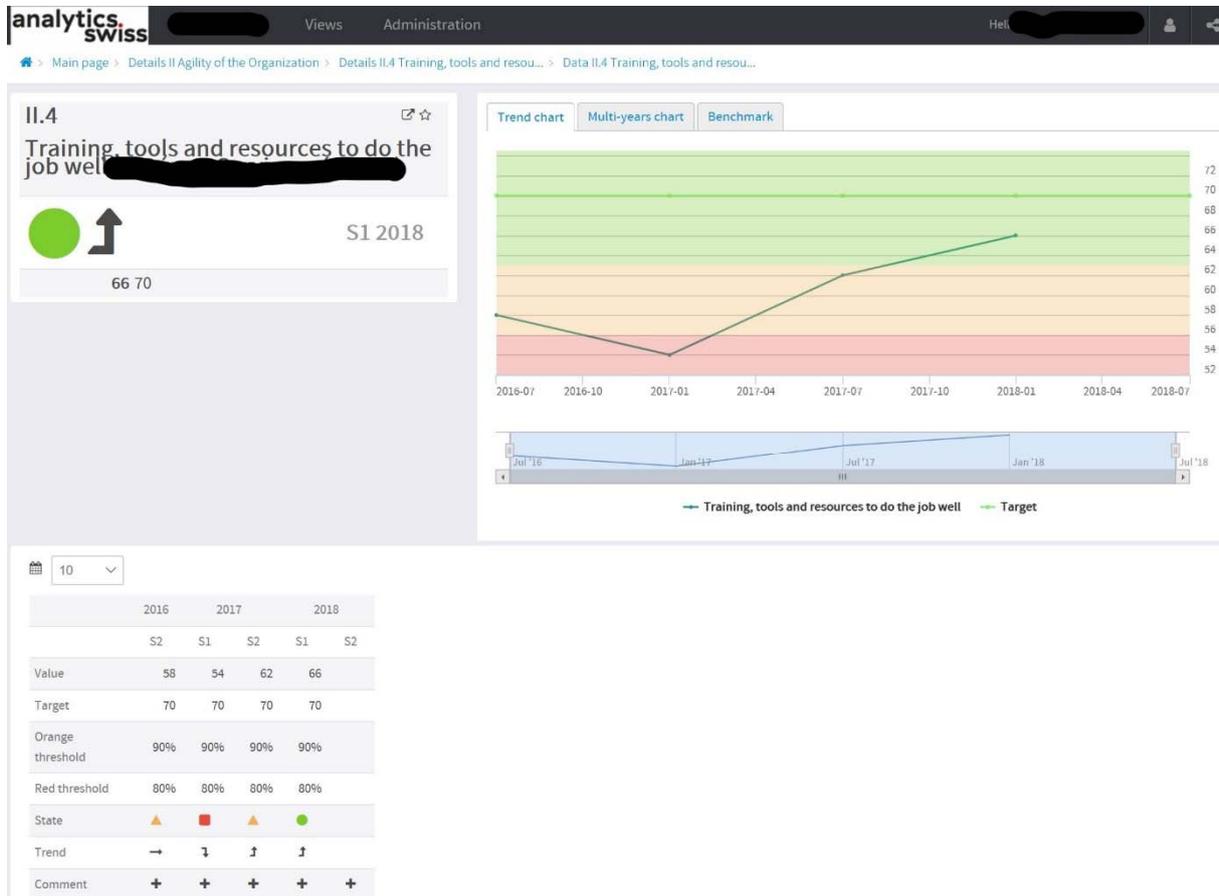
SHAKE Consulting was asked for help, with the mission to identify the causes and implement remedial solutions.

Of course, there were many causes but in this article, we want to emphasize one particular aspect we did not suspect.

As it can be seen on the graph below, the first survey revealed a serious lack of training in one of the most vital business units.



The management team, who was responsible for the training before the go live, had assured us that the problem was the software and not the training. Interestingly enough we were able to benchmark this indicator with the second biggest business unit and noticed a huge difference (58 % compared to 27% in the first BU) as showed below



### The Findings:

The management team of the first business unit was originally against the software upgrade because they were afraid of the changes it would create within the workflows and so on, in the habits of the workforce. So, they did not take the training process seriously. According to the survey comments the training sessions were demotivating, sketchy and the training material useless.

### The solution:

Considering the findings, we suggested to create a taskforce composed from internal and external employees. This task force had two mains goals:

1. To assist the employees at their working place in order to increase productivity
2. To train as fast and efficient as possible all the business unit members in order to increase the competence level in a sustainable manner

This approach was obviously outside the company culture scope but our customer eventually agreed to give us the green light. The recruitment, the training and the organization of this task force took almost 2 months. 3 months after the first survey the trainings sessions began. We could notice a slight improvement of the indicator (27% to 30%) with the second survey. At the third survey the indicator raised to 58%, demonstrating the effectiveness of the taskforce.

The results were not only obvious in the dashboard, but also on the field. The processing time decreased by 227% at the moment of the third survey, also impacting positively the cashflow level

### **Conclusions:**

The human factor, in this case a passive resistance from the BU management team, can lead to major failure within a 10 million IT project. It is therefore important to keep an eye on key managers who were at the beginning opponents to the project. They can be categorized into two groups:

1. They have been truly convinced and they now support the project and take their role seriously
2. They pretend they embraced the project but secretly, insidiously tackle it

In general, you should use 80% of the time helping people to embrace change, but never give up the 20% of control which is required to make sure key actions are taken seriously.

In addition, we noticed that regular survey, with specific indicators are valuable tools to make the right decisions and follow up the results. Also, innovative solutions are often required in order to lead change effectively even if they challenge the company culture.