Performing change management tasks during each phase of an SAP project to achieve the greatest ROI and ensure successful implementations

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(Full bio appears on page 104.)

This article is a follow-up to my first article[1] on change management. In that article, I began by explaining that software developers tend to think of end users as an extension of the software and the primary goal of the project as getting end users to perform according to software requirements. However, as I pointed out, the truth is it's the other way around. The people who use an application don't think in terms of what the software expects of them. They do, however, have expectations of what the software should do for them. Therefore, change management is the "process of matching the expectations of those affected by the software to the results they are receiving." To facilitate that process I also described in my first article the seven change management precepts that should be a part of every project:

- Leadership alignment
- Communication architecture

Note!

This article uses the term "change management" in the context of project and organizational management. In this context, the term refers to managing the effects of change on end users during a new implementation.[2] This is not to be confused with the technical context in which SAP uses the term, in which case it refers to managing configuration changes to the SAP system using tools such as SAP Solution Manager.

[1] See "What is change management and why it is important? An overview of change management and the seven precepts that can help every SAP project" on page 85 of this publication.

[2] See http://pmpedia.com/wiki/index.php?title=Organizational_Change_Management.

- Knowledge management and organizational learning
- Performance management
- Competency development
- Organizational structure
- Team development

The goal of this article is to explain the change management tasks that align with the phases of an SAP project that employs the standard AcceleratedSAP (ASAP) methodology. Each section will begin with a brief overview of the particular ASAP methodology phase. These phases include:

1. Project preparation
2. Blueprinting
3. Design and build
4. Final preparation
5. Go-live
6. Post go-live

The seven change management precepts

Leadership alignment: Change management must begin at the top. Although the successful implementation of a project is an utmost concern, leadership must be designed around why people go to work and how the outcome of a project will help make their jobs and their life at work more rewarding.

Communication architecture: Change management is dependent on an ongoing, two-way dialogue between the project team and stakeholders. Each project needs to have a communication architecture in place with guidelines, a schedule to communicate, and accountability.

Knowledge management and organizational learning: Helping an organization as a whole to learn from the knowledge and experience from within its various departments increases the go-power of the project. In most projects, the project team becomes the primary "community of practice" for a new technology, responsible for dispensing the lessons learned to everyone else.

Performance management: A key question is, "Are we measuring what we want?" — because you are most likely to get what you measure. You need to determine whether the job incentives that are in place match the outcomes expected so employees will perform their jobs differently.

Competency development: Every project requires an impact analysis of the jobs that it will affect. This includes jobs that will go away or be changed as well as jobs that need to be upgraded because they require greater competence. Understanding the gaps in skills, attitudes, knowledge, abilities, and base-level understanding is an essential starting point for all employee development plans.

Organizational structure: One of the most difficult things to do is to examine each job, determine where the system will affect it, define what the requirements for that job are, and then map the people to the new jobs. This skills assessment is a key part of the organizational structure that includes a transition plan to move employees in the direction of the new implementation.

Team development: SAP applications provide more capability for sharing information at lower levels of the organization than ever before, enabling higher levels of collaboration at all levels. It is important to establish a culture of collaboration or information-sharing in which diverse individuals work in team structures, share information, and get the job done with less hierarchical passing of information back and forth.

Note!

I have added the "post go-live" phase although the perception by most IT organizations is that when they go live, they are done with the project. From an organizational standpoint, however, that's when the real work starts. After go-live, you typically will experience a dip in performance. This is not only the best time to optimize performance, but also to make changes that help to continue improvement.

When discussing change management in relation to the ASAP methodology, I always introduce the analogy of building a house where:

- In the *Project preparation* phase, you draw the artist's rendering of what you'd like the home to look like.
- During the *Blueprinting* phase, you begin to identify the design criterion for what life in the house will be like and the structural elements to create a sound design for the structure and the lifestyle.
- During the *Design and build* phase, you ensure that the contractors stay true to the design.
- During the *Final preparation* phase, you begin to customize the look of the house to accommodate your current interpretation of what the house really will look like without changing the structural design, which is now in place.
- During the *Go-live* phase, you move in and learn how to live in the new environment.
- And finally during the *Post go-live* phase, you gradually make your new house into the home you've always wanted by decorating, landscaping, discovering, and enjoying endless continuous improvements that make it truly your home.

For each ASAP phase, I define the typical change management tasks and indicate what you can expect from the activities. You also will see that I've aligned the tasks, if warranted, with one of the seven change management precepts so you will understand the underlying drivers that pervade and influence a project. Although there isn't always a one-to-one relationship between every phase and task to every precept, you will see that, for the first three tasks, the relationship is obvious — that is, when forming any type of group, whether the group includes stakeholders, technical experts, or informal influencers, you are in essence also aligning the leadership of the project.

Project preparation

The regular project activities for this ASAP phase include defining the project organization and standards, formulating the measurement of business benefits, determining the high-level project plan, introducing SAP through training, planning technical requirements, sponsoring an executive kickoff, and developing the enterprise-area scope document.

Let's look at some of the change management tasks most commonly performed during this phase.

- **Form a change management governance structure (*leadership alignment*).** Your project requires a cross-functionality governance structure that needs to be in place from the beginning and must be committed to stay with the project until the end. Most project managers are familiar with forming steering committees, so I won't go into that treatise except to emphasize that they too need leadership. In most cases senior managers will be new to this type of business initiative, so you need to lead them through the dynamics of this process. You must help them with the decision criteria so they can identify the types of decisions required of them and can quickly assess the level of urgency of those decisions. Also, you should help them understand the leadership behavior they need to demonstrate.

  More important from a change management perspective is what I call the "informal leadership" governance structure. It is made up of the employees to whom everyone goes to find out whether changes are good or bad. Advise this

group on how to deal with new situations, and let them know who can get things done. Like the steering committee, they must be there at the beginning and stay until the end, especially during the post go-live phase. For this group you may have to redefine the role of the informal governance team at each stage. These people actively promote the project within their constituency and serve as a critical feedback loop to determine how the organization is reacting to the change. This informal governance body must be composed of representatives of all key stakeholder groups. Its purpose is to:

- Align around the core design principles and business outcomes the project is trying to achieve.
- Define the goals and objectives that the project will achieve for their constituencies and that will help them support the projected outcomes.
- Determine how the project relates to the core mission of the company.
- Define and tailor the change management goals for the project.

Your informal governance body must be extremely active in every phase of a project. Even though I am calling it "informal," it is still an organized board requiring agendas for meetings. You can expect that it will establish design principles, evaluate progress against them, and determine metrics for measuring the contribution of the new process and system at all stages of the project.

The informal governance body is the single best determinant of success, particularly if you have properly identified an informal influence network and gotten those people on board. If you don't have an informal network to which everybody goes and on which they can rely, the project can fall short of its goals or fail to gain acceptance.

- **Create an organizational change management (OCM) charter and work plan (*leadership alignment*).** Every OCM team requires professionals with expertise in organizational development, communications, training, and performance management. Even more important, it needs key people from the executive, management, and informal leadership ranks who can help shape and review the OCM plans. This group provides input, signs off, manages, and reviews all OCM work plans.
- **Design the informal change network (*leadership alignment*).** You need to treat your informal

Note!

On many projects I'm asked, "What's in it for the informal leaders? How should we reward them? Extra pay? Time off? Or make participation part of their annual goal sets?"

The truth is, you have to be as informal as the informal leaders. The minute you start formalizing the informal network, the informal leaders become less effective. Others in the organization see them as tainted, or worse, co-opted. The best approach is to seek their involvement with the normal flow of informal leaders. Hold sessions as brownbag lunches. For an incentive, let them know that the real value for them is that they will understand the new process much better and much sooner than anyone else in the organization. Make them see the intrinsic value, rather than provide a formal incentive. Give them access to a special portal to edit communications, share experiences, and provide feedback. The statistics also show that as a result of their leadership roles they are most likely to be the ones promoted to leadership positions in the new business organization

The informal leadership network is the single most important investment in the project, and is most effective if you don't over-manage them. Just lead them through what they do naturally anyway.

influencers differently and allow them to play the roles they naturally play at every opportunity. You need to provide them with advanced information so they can play an editorial role for targeted communication to their constituency. Encourage them to express their skepticism so their issues can be addressed, and on the other hand, encourage them to be advocates for the change so that they begin to believe in it as they become familiar with it. Most important, you need to listen and respond to them as they provide real feedback on the project's success as it proceeds. If you treat them with the respect they're due, they will be a powerful force for change and will make use of the work of other project teams beyond your expectations. Without their positive energy, the project implementation always will have a silent adversary.

- **Conduct executive briefings (*communication architecture*).** This is one part of change management that is rarely overlooked, but in most projects it is an opportunity wasted on status reports. Your company's executive team not only establishes the goals, outcomes, business return expectations, milestones, ROI, and cultural change requirements of a project, but must be aware of what is required of it — providing the inspirational leadership to make the associated business transformation a success. Since for many executives this type of endeavor is a new experience, at the briefings provide a clear set of roles and responsibilities, decision criteria, guiding principles, and leadership behaviors spelled out for them to discuss and agree upon as essential. Schedule reviews at critical junctures on their calendars well in advance.

- **Conduct project team orientation and change training (*team development*).** Project teams and program management officers (PMOs) normally prepare for the technical and process stages of a project, but fail to consider their own organizational dynamics. Engage them in team-building exercises during a break in the "important stuff." However, these activities expose key organizational dynamics that the project teams will encounter during the project's predictable "crunch" periods. The prime economic justification for investing "precious" time in these activities is to address situations in which team members aren't fully collaborating, respecting each other's perspectives, and so on. If team members are not meeting their commitments to one another, the project timeline slips. Each day lost has a cost associated with it that is measurable and traceable to poor team dynamics. Providing the project team with an OCM tutorial that explains what activities they can expect during which stages of their work plans helps them to appreciate competing demands on the organization's time and how those activities may help them meet their milestones.

- **Mobilize steering committee (*leadership alignment*).** Based on the project's size and complexity, the overall governance structure may contain several layers and functional committees. Steering committees play an important role in connecting the work of the project teams to the business owner. As the project progresses, their role in ensuring that the applications stay well connected to the desired business outcomes is a critical one. Your change management know-how and skills will play a key role within those bodies since much of the "rub" occurs between existing processes/procedures/policies and the future state, as shown by "vanilla" SAP best-practice processes. Your ongoing relationship with the informal leadership network also needs to be mapped against the project plan. In addition to giving these steering committees a good grounding in OCM principles, make sure you have a change team representation on these committees.

- **Develop a communication architecture and strategy (*communication architecture*).** Communication often is blamed for the breakdown of progress in SAP implementations. The greatest flaw in any communication plan[3] is the "one message fits all" approach. Identifying how people in various roles get information they trust has to be part of the initial communication analysis. Creating an architecture that matches the targeted

[3] For more information, see Evan J. Albright's article "Ensure the success of your SAP implementation projects through meaningful communication — a guide to creating a communications plan" (*SAP Professional Journal*, November/December 2005).

stakeholder needs against the delivery mechanisms (emails, newsletters, meetings, brown bags, executive fireside chats, workout sessions, informal network leader discussions, training, future state videos, knowledge management Web site, and so on) takes you to easier, clearer event-scheduling.

Note!

Make certain your architecture and strategy make the most of dialogue and two-way communication. Without that you can't anticipate what is likely to occur next or have a feel for the effectiveness of any of your OCM activities.

Tip!

One of the most important roles of the informal governance board is to serve as an editorial panel for all communications that go out to different parts of the organization throughout the life of the project. These communications should go to the editorial panel first so that it can identify the impact the communication will have on the readers and also determine the channel of communication (e.g., email, intranet, posters) will best deliver the message to a specific group. For example, broadcast a company-wide message via the company's intranet.

The goal, incidentally, is not to ask the informal governance group to express approbation of communications they may not believe in. Instead I am suggesting that this group become the first line of defense against "truth decay." If the communication is not credible to the editorial panel, it won't be credible to the rest of the organization.

- **Conduct initial stakeholder analysis (*competency development*).** A common misunderstanding is that stakeholders are just those who will use the new system that is implemented. The truth is stakeholders[4] are those affected directly or indirectly by the new technology. In other words, a stakeholder might be a vice president of a division or a clerk in a manufacturing warehouse. It's important to understand the stakeholders' attitudes as they relate to the change formula elements:
  - Do they understand what's changing and why?
  - Is the end goal of value to them?
  - Do they see the need for change?
  - Are they confident that they will get the training and support they'll need?
  - Is the change worth the effort, trauma, and cost required?

  The more detail you can collect to refine the granularity of the starting point of your stakeholder community, the better you can plan to mitigate the project's organizational risks.
- **Define the change approach.** The size and complexity of the SAP implementation help determine the level of reports you will need as the core of your change management plan. Your change management plan should include at minimum the following elements:
  - OCM guiding design principles incorporated in the executive summary
  - Initial impact and human resources (HR) analysis
  - Stakeholder characteristics and risk mitigation plan
  - Comprehensive communications architecture
  - Transition plan that maps changes and impact on all affected job categories and employees

[4] For more information, see Doug Whittle's article "Use stakeholder maps to secure support for your SAP projects and enable successful implementations" (*SAP Professional Journal*, September/October 2006).

- Initial training, documentation, and performance support plans
- Change-readiness and change-capacity assessment
- Project team high-performance development plan
- Executive leadership plan

Most important, you must have a common vision of what your project will look like and how it will bring measurable benefits to the organization and the individuals affected. The core of the vision needs to be a statement of how the project will transform the business to be more successful in achieving the mission of the organization within the value system of the company. A well-articulated set of guiding principles and design criteria for the changes, based on the organization's cultural norms, will define how to implement and measure the change. It will guide how to treat the affected employees to help them accept the change within their value systems.

Tip!

A word of caution about the scope of the time allotted for blueprinting. You can blueprint the technical and process redesign within a relatively short period, especially if you plan a "plain vanilla" SAP implementation and you've documented your current "as is" state. A common error is to budget the same amount of time for the OCM activities. Blueprinting plays a critical role in change management, and I normally recommend that the project manager give it twice as much as time as each of the other activities. The blueprinting period is critical to bringing about understanding, acceptance, and commitment to the new processes and technology. It takes at least as long as it does for the project team to come up with the right design.

Blueprinting

The regular blueprinting project activities using ASAP methodology include beginning the training development design process; capturing company input using questionnaires and models; refining the project requirements; developing the business blueprint understanding and acceptance plan training, system installation, quality checks, and management review activities; and defining the business processes.

Let's look at the change management tasks performed during the blueprinting phase:

- **Refine the communications plan (*communication architecture*).** As the dimensions of the final "to be" state become clearer, finding as many ways as possible to help people visualize what life will be like in the new transformed business helps them to envision the reality of the change, rather than using project-driven language to create an abstract idea. Your communication plan has to reflect the tone of the project and address the ongoing dialogue that takes place as each aspect of the project is implemented.
- **Conduct readiness and risk mitigation assessment.** At this phase of the project, you need to initiate the involvement of the informal network leaders and begin the back-and-forth dialogue with the formal executive leadership and governance group. RWD uses the "leadership engagement process," which is shown in **Figure 1** on the next page.

  The architecture for the leadership engagement process allows for back-and-forth sessions between the formal governance and the informal leadership network. These sessions can include interim pulse-taking sessions for Web-based dialogue. You can gather topic-specific data and hold information-sharing sessions on specific project milestones and issues. The cycle is triggered and conducted three times during the life cycle of a project: the initial assessment; the mid-course correction, and the post go-live.
- **Develop a detailed change plan.** You need to carefully interconnect all elements of the change plan to show the level of effort and critical steps required to manage the change, mitigate risks, prepare for role transitions, develop new competencies and

training, communicate key messages, and collect feedback. This information needs to be part of the overall master project plan, not an ancillary plan.

> ***Note!***
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> In each phase, several steps are clearly "pay-me-now or pay-me-more-later" steps. If you choose to skip this step, undoing the damage will take longer later in the process.

- **Assess and measure team performance (*team development*).** There are many measures of how well teams are working that correlate with meeting commitments to one another and performing according to high output standards.

Design and build

The regular design and build project activities using ASAP methodology are a baseline configuration, which includes company structure, business rule definition, and business scenario confirmation and approval; final configuration; integration testing, which includes configuration management, design, developing and testing interfaces, reports, and conversions; and continuation of training development.

Let's look at the change management activities performed in this ASAP phase:

- **Conduct change-impact assessment and planning.** At this stage you need an updated test and analysis, which is partially completed through the change network sessions in this phase. Resolve issues with the help of the informal leadership network and communicate the solutions through the governance group.

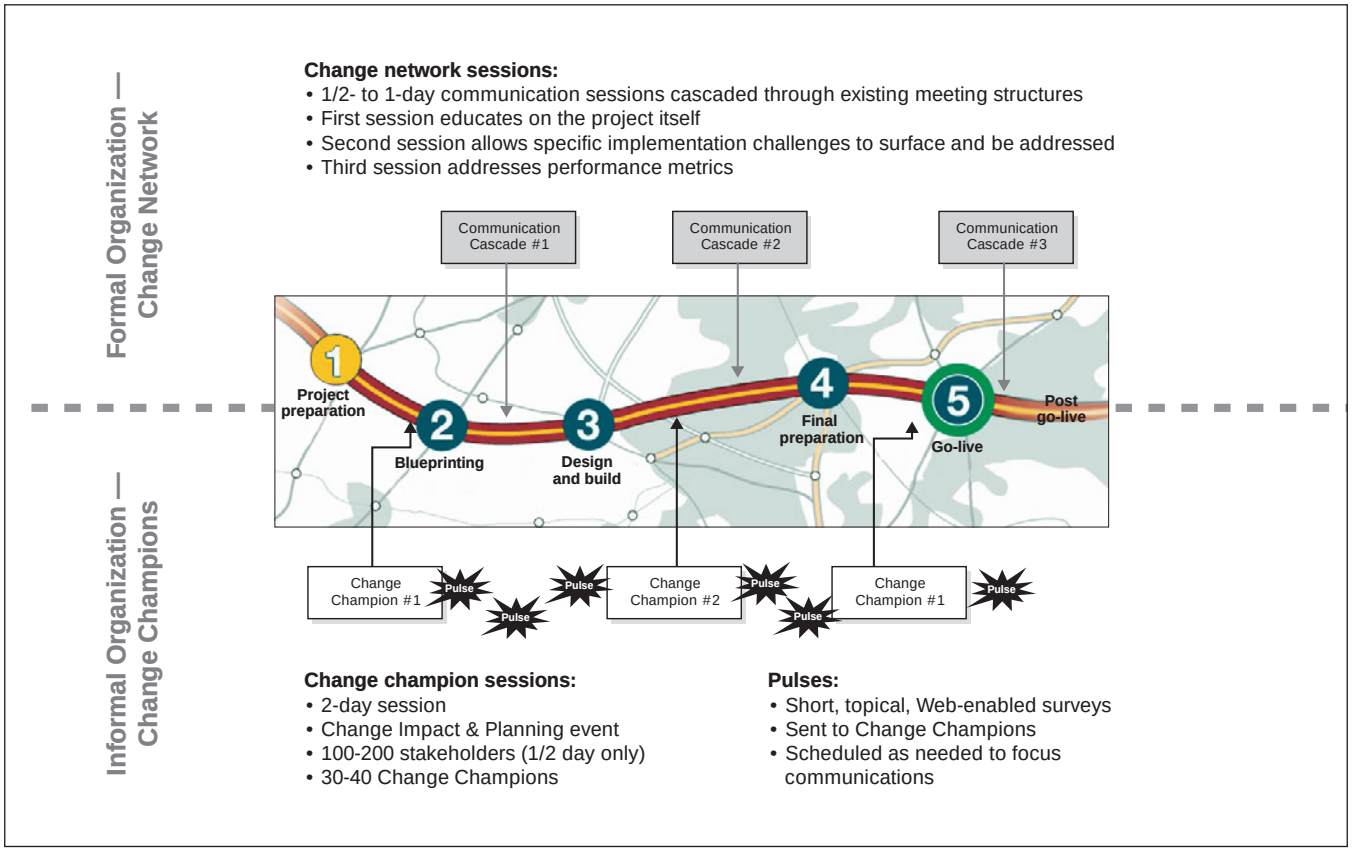

Figure 1 Leadership engagement process

- **Conduct change network sessions.** This is the mid-course correction process to assure that the project is on track and that current perceptions of progress are aligned across the steering committees, the design groups, the PMO, and the informal leadership network.
- **Assess communication effectiveness (*communication architecture*).** This is the least active period for change management, but in some respects it's the most important in the communication process. The challenge is to keep interest and involvement in the project up during the assessment phase. During this period, there's not much to do for those whose job roles will be affected by the new system, other than to fill in the details of the role transition plan. This is also the time to begin designing training programs.

  To retain the project's momentum and keep energy levels high when the blueprinting is complete and the system is under construction, the opportunity is ripe to create a visual or high-energy image of what the business process and the business itself will look like. This is an ideal time to create a video, story, or series of educational sessions around the vision of the change ahead in terms of the end result. Then, the stakeholders can see what they will be able to do that they cannot do today, or to get a "day in the life" look at what the future business processes will be like.
- **Create and present organization design scenarios as required (*competency development*).** Since the design process will have brought up reporting and new job configurations, the initial restructuring needs to be modeled at this point. However, major and final organizational redesign still needs to be reviewed and decided on after go-live and stabilization when the new business model has been test-driven for a while.
- **Create job and role selection criteria as required (*competency development*).** Creating the job and role selection criteria is perhaps the most complex task in implementing the transition plan and should have been evolving. It should be documented at this stage through multiple databases that track jobs, roles, competencies, performance, skills, and performance gaps.
- **Finalize the organization transition plan and begin implementing it.** The detailed transition plan must include data about all of the affected employees, their current jobs and performance measures, their skills and competencies, and the potential degree of impact the new process changes will have on their jobs. At this point, you can begin to match that data against the new roles and responsibilities and security/access requirements. Mapping jobs to roles and skill requirements becomes a tedious and time-consuming process. You need to work closely with the HR department; its involvement is critical in the execution of this plan.

> ***Tip!***
>
> Spending time at this juncture to build a complete database saves a tremendous amount of time and effort.

- **Assess team effectiveness (*team development*).** Since this phase places a great deal of demand on the project team, focusing on crunch periods and providing relief and down-time to focus on their needs as individuals and teams are essential. This is a time to celebrate mini-victories around milestones and successes, or focus on stress relief and resolving team issues that contribute to inter-team strife. Use team time wisely and judiciously since time is now at a premium. Hopefully you did a good job earlier in preparing for and mitigating issue resolution. It becomes more critical at this stage.

Final preparation

The regular final preparation activities using ASAP methodology are cutover planning; integration, volume, and stress testing; go-live strategy; and establishing an internal help desk. Activities include:

- **Implement the organization transition plan.** This ongoing process takes center stage during this

phase as people begin to see what their new roles will require and how, why, or when their newly created roles will take effect. This is also the point where those affected by the project can review the support plans that are in place to train and prepare them for their new responsibilities.

- **Continue program communications (*communication architecture*).** Collecting feedback through all channels, especially the informal leaders, is critical at this stage so you can address misconceptions, concerns, and fears. This is where the "E" (effort, energy, psychological cost of making the change) in the change management source code formula[5] easily can get out of hand, unless irrational fears are carefully handled. Fear, resistance, and even sabotage are the symptoms to be watching for here.
- **Create new performance and productivity measures (*performance management*).** Even though jobs have been redesigned, project teams have a tendency to forget to change the performance metrics for the new roles. They later wonder why people haven't changed their job behaviors or are subverting the new system by using work-around processes and tools. This process must be made explicit and involve people in the definition of the new job requirements and how they expect to be measured.
- **Implement new management processes as appropriate.** Helping people understand the context (both upstream and downstream) of their responsibilities within the new business process is essential so that they can appreciate the information flow and consequences for their roles.
- **Plan a change strategy for ongoing support.** During this task the project team must ensure there will be ongoing support for those using the system in the form of online job aids, help desk support, "super user" networks, centers of excellence, continuous improvement groups, or communities of practice sharing. All need to be in place well before go-live. Think through the total support network, plan how it will evolve in what parts of the organization, and put it in motion during this phase.
- **Confirm organizational sizing as required.** If jobs and roles are clearly going to be eliminated, outplacement activities should be well under way. An HR-guided process should be in place, including a completed impact analysis.
- **Assess team effectiveness (*team development*).** Although an ongoing activity, it is important at this time to set expectations about how to operate in a high-demand and high-stress environment as go-live approaches. This is a discussion and planning process that's particularly relevant at this point in the project.

[5] To review the change management source code formula, see my first article, "What is change management and why is it important? An overview of change management and the seven precepts that can help every SAP project," on page 85 of this issue.

Go-live

The regular go-live project activities using the ASAP methodology are application support, verification of production system accuracy, measurement of business benefits, and monitoring and reacting to customer and supplier feedback. Activities include:

- **Training and sensing (*competency development, knowledge management, and organizational learning*).** Training takes center stage just before, during, and after go-live. This is when all the preparation, design, and logistical planning for individual, role-based, and group training is tested. The involvement of the "power user" process experts, informal leadership network, and professional trainers working in teams ensures that all the competency development requirements identified in the transition planning process are flawlessly executed in the appropriate time frames. Training should be as close to the time of initial need as possible. Having a central competency center that addresses both logistics as well as content and context questions and issues before, during, and after training is essential, especially when multiple and geographically dispersed implementations are going on simultaneously.

  Having "communities of practice" sites established through the informal network's communication Web site contributes greatly at this point so that the

Note!

User acceptance testing is generally considered a technical process to test whether a new process works in the application as it was designed and built. Including the change management dimension of testing whether the application still does what people expected and what they feel that they need to perform their jobs is seldom included in the testing process. It can become one of those dreaded "pay-me-now-or-later" steps. Using the testing phase and perhaps adding as much as a day to the process to address what people feel violates their expectations or creates new concerns is a small investment to assure greater user acceptance at go-live. Including a session that draws out, rather than tries to explain away, concerns during testing allows you to know what you're dealing with in the organizational units. Then you can take the time to see what final tweaks are needed in how the application is presented and trained or supported. This ensures you're not blindsided at go-live by people resisting processes they don't really understand or buy into.

entire community can share successes, lessons learned, and tips in preparation for formal training and afterward.

- **Celebration, recognition, and expectation setting (*leadership alignment*).** The go-live stage demands a great deal of effort beyond the call of duty for a large segment of the organization not just, but especially, from the project team members. The executives, steering committee, and formal leadership of the company need to be aware of that extraordinary performance demand and plan a recognition and encouragement campaign during this phase, as well as a celebration of success and rewards after this peak of activity. At the same time, leadership should acknowledge that the work of realizing the benefits of this accomplishment has in many ways just begun.

Post go-live

As I explained in the note at the beginning of this article, I step out of ASAP methodology here to add another phase called "post go-live." A go-live date is like the finish line in a race, and to most IT organizations, when they go-live, the perception is that they're done. From an organizational change standpoint, that's when the real work gets done.

- **Monitor and measure performance and productivity (*performance management*).** Understanding the reasons for the dip in performance after go-live and managing the impacts to both shorten the duration and mitigate the depth requires data about the interaction of the people in their new roles and the performance of the application itself. In conjunction with software that measures keystroke reaction times, missed cues, or data errors, you can begin to understand at the detail level the patterns of where training may have failed, where people are confused, where the system is not acting as designed, or where people may be trying to do the job the old way. By quickly reacting in multiple directions based on this data, you can make corrections, give new support or training, make system adjustments, or solve problems within the appropriate parts of the organization. This level of data analysis keeps the generalization of "user error" from being over- or inappropriately used and shows people the problems they're facing are being addressed and not routinely blamed on them.
- **Implement post-implementation communications (*communication architecture*).** The need to celebrate success and point to the future opportunities based on that initial success is the primary theme for post-implementation communication. Recognizing the hard work and accomplishments (e.g., how far we have come in a short period of time due to the efforts of many individuals and groups) as well as lessons learned and success stories all contribute to the feeling-good phase of the project. At the same time, employees should recognize that this project lays the platform for even greater opportunities. As they begin to use the new tools within the new business processes, they can continually invent better ways to improve their company's ability to compete, be profitable,

grow, and become a better place to work. The feedback portion of the communication architecture and the role of the informal leaders should play an ongoing part in involving the organization in owning and sharing ideas for continuous improvement.

- **Facilitate final project team and end user assessments and evaluations of the project.** A thorough debriefing of the "good, bad, and ugly" from the project experience helps not only to punctuate the transition into the next phase but also allows the organization to document and learn from this change initiative so that it can duplicate the successes and incorporate the lessons learned into future business transformation initiatives, whether or not they are information system-driven. Sharing those lessons learned across the widest possible audience — not just those directly involved with the SAP project — can yield additional synergy across other functional and business unit parts of the company.

- **Re-evaluate and redesign the organizational structure (*organization structure*).** After the system performance has stabilized and people's experience has matured, then comes the time to ask whether the corporate organization structure is optimized for the new business model and processes. "Do the patterns of traffic match where the old sidewalks are?" Given how the new systems have empowered people at all levels of the organization and their new understanding and competencies in managing the business, does the existing structure enable or inhibit the right behaviors or is it redundant or focused on the wrong decision process for the new decision models? This is the time for the executive leadership to step up and decide what organizational design principles are relevant and to assess what structures are needed. The implementation of a new organizational structure in concert with SAP and process changes allow for fine-tuning of the business and help assure that the company achieves the maximum return on the project investment. I worked with one CEO who told me he believed that go-live is overemphasized. "I'm going to define go-live as when we have the new business process accepted and implemented by the whole organization," he said. That was, in my opinion, a CEO who really understood change management.

Conclusion

Much of what's reinforced in this article is not new; it's just forgotten over and over again in the heat of a technology implementation project. Change management to ensure success for an SAP implementation is not an option if you expect to leverage a 12% to 18% investment in the overall cost of the project. Change management activities not only pay for themselves, but often are the difference between the success and failure of the total project. Most studies show that they need to be built into the project plan, and not seen as "ancillary" or "common sense" things to take into account. Change management isn't just communication and training — at its core, it's the strategy and tactics to convince people that the SAP functionality is an extension of their ability to do their jobs more easily and effectively, not the other way around. Putting people in the center of the equation for success rather than assuming that they are an extension of the technology is a paradigm that wins.

Gerhard Friedrich's 15 years at Digital Equipment Corporation taught him that concern for people and technology can coexist quite well. While at MIT's Sloan School of Management as a visiting behavioral scientist, he was able to influence how to take artificial intelligence (AI) research into real-life experience. Gerhard spent several years as a licensed psychotherapist, learning how difficult change is for some individuals (including himself) and how complex the human "systems" are. At Computer Sciences Corporation and PricewaterhouseCoopers, he helped others struggling to achieve the right balance between people, process, and technology change, so they could move their companies forward. At SAP America, he helped manage change when SAP repositioned itself from selling applications to selling solutions. Today, Gerhard is an executive consultant with RWD Technologies, a "Powered by SAP NetWeaver" company for SAP end-user training, performance support, and organizational change management. You can reach him at GFriedrich@RWD.com.

