

Business

Change

Management

Limited

Changeability

Can you drive your business without it ?

BCML
Concept Paper

“...a systematic and institutional capacity for change may now be a company's single most valuable asset.”

*Michael Hammer
Beyond Reengineering*

You may be in charge of your company but are you in control of it? How many times have you tried to manoeuvre your company in a particular direction to find that it is incapable of responding in either the right timescales or manner? Make no mistake, your ability to steer and move your company is only as good as its inherent ability to respond to the need to change, its business change capability. Would you accept a car that had a rubber steering column and did 0-60 in whatever time it felt like? Of course not, so why accept the equivalent in terms of business change management?

Take a good look at your own company. Operationally you may be doing a good job of servicing the customers. Management wise you've probably got a good team doing your planning and overseeing the day-to-day operations but how well are you coping with your changes? How many IT projects do you have on the go? How many reorganisations or office moves? What's the impact? What's the cost? What's the benefit? Who's doing what to whom and when? How do you know? Is it within your means to change the direction and momentum of that reengineering programme? Is change a necessary evil or an opportunity to succeed? It's probably a bit of both but one thing is for sure, it's not going to go away.

The Change Imperative

All businesses must change over time or else they will fail. The commercial landscape is constantly changing due to the interplay between the market, legislation, technology and competitors. Two things are needed to navigate that landscape: headlights and a responsive vehicle. New and small businesses tend to have the latter by default. They don't have the massive cultural, technical and customer legacy of larger, older companies to hold them back. The smarter of these businesses will have also invested in a good set of headlights. As they succeed they too ac-

crue a legacy to slow them down, unless of course they have developed a business change capability in line with their growth.

When is a Change Not a Change?

So what is a business change capability? Let's start by defining a business change. All businesses can naturally cope with a limited amount of variation in the cases they handle. Shops can handle different basket sizes and mixes, manufacturers can produce customised products and hospitals can treat a variety of illnesses and injuries. The twin daily operational goals of efficiency and effectiveness produce a compromise position. Increases in efficiency tend to result in specialisation that in turn reduces the ability to handle variation whilst the drive to be effective requires an ability to handle all the variation being thrown at it by the chosen market. It's fast food versus a la carte service. At the end of the day a particular operational model is implemented. Any change to this operational model is a business change. A business change capability is the means to efficiently and effectively (there they are again) perform a business change.

House of Cards

That's OK then, all you need to do is improve the way you reorganise, implement systems or move office. If only it were that simple. Businesses are incredibly complex and sensitive organisms. They can swallow directorial dicta without blinking but change the coffee in the finance department and your invoices take three times as long to process. The operational model mentioned above is not as simple as an organisation chart or a flow diagram. It is multidimensional. Move location and you affect processes, roles, infrastructure and communications. Change a department's structure and you can impact jobs, systems, facilities, information flow and loyalties. Implementing a new system will change processes, skill-sets, responsibilities and data. Any potential change needs to be considered holisti-

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"Changing

the way you

change.....

forever"

cally to increase the chance of success (or for those whose cup is half empty, to reduce the risk of failure).

The Whole and Nothing but the Whole

Taking a holistic perspective of change brings with it a whole new mindset compared to some of the more traditional change efforts. No longer do you have system implementation projects, you have 'process improvement through faster access to information and the removal of organisational boundaries' projects. No longer do you have reorganisation initiatives, you have 'the clarification of roles and responsibilities through the clear ownership of processes and the implementation of supporting systems' initiatives. The days of dropping a new system or organisational structure from a great height into the operational business without making sure it fits must come to an end.

Turning on the Lights

Now that we have a holistic view of a business change we start to notice something. There appears to be more interference between the various change initiatives taking place in the company. Joe's new customer care processes rely on roles that Fred is removing in his web interface project. Helen's team working initiative is being impacted by Sue's relocation project. The holistic viewpoint has not created these overlaps it has simply made them more visible. To complete the picture we need a common language across all the initiatives that enables these overlaps to be seen. That language comes in the form of business models.

Super Models

Business models provide a pictorial and textual description of a business. They act as a set of maps onto which change activity can be plotted. Only by using a common set of models across the business and for all change initiatives can we determine who is doing what to whom and where effort is duplicated or lacking. Without this, time, money and energy will be wasted regardless of the skill and best intentions of the participants. These models must cover the various perspectives required by the holistic view. This includes process, organisation, systems, data and location. 'That's all well and good' I hear you say 'but these models will always be out of date'. 'Not if you build their maintenance into your change processes', I reply. Which brings us nicely to the next topic: method.

Process Rules

Whether they like it or not all businesses have method or, if you prefer, processes. How good they are is another matter but all businesses have a way of working. They know what to do when certain events happen such as a customer placing an order. Similarly, in order to conduct business change we need a method or a set of processes. What do we do when a potential change is identified? What do we do when a change project needs to change scope or fails to deliver? How do we handle a new corporate vision? How do we handle a simple process improvement? How do we allocate resources across dozens of competing changes? A permanent business change capability needs to be able to answer these questions by providing a set of processes, roles and supporting systems capable

of dealing with all of these situations. Such a capability has the added bonus of being self-improving. It is just another set of business processes etc that can be modelled and changed.

So What.....?

So what does all of this mean? It means that, with a set of repeatable processes that help define potential changes holistically, assess their impact and interdependencies, determine the optimum mix of integrated change initiatives across the company and maintain an accurate set of business models, you have some hope of driving your company through that mixture of mine-field and oil-field, the corporate landscape. Without it you'd better get used to that rubbery steering and sponge-like responsebut then again maybe it is time for a service.

Mick Wren

About the Author

Mick is a director and founder of Business Change Management Ltd.



His extensive experience as a business architect on a number of change programmes for blue chip clients led to the invention and development of an enterprise wide business change framework, called 'the wedge', in 1995. He has since applied this framework and the techniques within it at a number of well known companies.

Mick has an honours degree in engineering and some 18 years IT and business process design experience. Prior to this he spent 7 years in engineering roles at sea in the UK merchant navy and underground with the National Coal Board.

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About Business Change Management Ltd

We specialise in helping companies implement, manage and improve their business change capabilities. This is based on a deeply held belief that all companies need some ability to change and that the lives of those working in these companies can only be improved by the enlightenment that comes from making a business' operations and changes visible.

We operate an open policy with regard to our methods and approaches. This paper is an example of that openness.

If you would like to know more then please visit our website at www.businesschange.com or email us at contact@businesschange.com.

"A capacity to change is indispensable. Equally indispensable is the capacity to hold fast to that which is good."
John Foster Dulles (1888 -1959)