
Change Management

To get Change Management right is important for every Business Transformation Project including Front Office Transformations. Unfortunately it is regularly misunderstood and undervalued and so I want to discuss critical Change Management activities for your Front Office Business Transformation Project to increase your likelihood of a successful Project.

Let me start with two different definitions for Change Management.

Change Management - Definition 1:

The objective of Change Management is to

- Minimize the resistance to organizational change through consistent involvement of Key Players and Stakeholders
- Maximize the collective benefit of improvements in an organization

Focus: Promoting change within an organization

Change Management - Definition 2:

Change Managements means that requested scope changes must be vetted, managed and communicated to all stakeholders. A Change Management Process is required that determines how scope changes are to be submitted, reviewed and approved. Once a change has been approved it must be communicated to all impacted stakeholders. Every Project should include a Change Management Plan to ensure this happens.

Focus: Manage scope, schedule and budget changes for your Project

Both definitions are important for a successful Front Office Business Transformation Project.

Here some general notes before we start looking in more detail at Definition 1 and 2.

These Business Teams should be engaged in your Front Office Change Management Planning efforts from the beginning

- Sales
- Sales Operations
- Product Management / Product Engineering
- Marketing
- Finance
- Legal
- IT

Notes regarding Definition 1

The first definition is focused on promoting change within an organization. This means it is important to keep all Key Players and Stakeholders informed and engaged throughout the Project! In larger organizations this can be a challenging task and typically requires a strong leader and multiple communication channels like Project Newspapers, Podcasts, Face-to-Face Meetings, Videos etc.

The following roles are important for a Front Office Transformation Project:

1. **A Technical owner:** To provide technical support for your solution and they may also provide Product Model Maintenance. The technical owner should be familiar with the System Architecture (e.g. CRM, CPQ, ERP) and also know the New Product Introduction Process.
2. **A Business owner:** Ideally to maintain all Product Models in your solution. These are typically Product Managers or Sales Operations SME's who know the Products very well.

At least one of these two owners should be a well-respected senior leader to be the change leader. In some organizations it may be necessary to have one overall change leader. You may ask "Why is it important to have a senior change leader?" The answer is that it is important to have the ear of your leadership team (e.g. C-level executives) to promote change and that is typically working better with people that already work with executives and have their respect.

A Change Management Leader has the following tasks

- Keep Senior Executives actively engaged
- Get buy in for requested changes
- Ensure required resources are available
- Ensure that people impact of proposed changes is fully understood
- Ensure communication to impacted teams and individuals happens in a timely manner
- Ensure People/Organization is ready for Front Office Solution related changes

In addition to promoting and clearly communicating the company's vision for your Front Office Solution to all stakeholders they should also help to setup the following Change Management Plans

1. A Rollout Plan
2. A Cutover Plan
3. A Training Plan
4. A Communication Plan
5. A Contingency Plan

Let us look at these Plans in more Detail

1. Rollout Plan

- A Rollout Plan shows how you plan to rollout the Front Office Solution to your Users.
- Example: Every User, in the USA, goes live with the same functionality on December 1
- Additionally there may be a Move-to-Production plan that shows who will do what when your Front Office Solution is moved to your Production environment

2. Cutover Plan

- A Cutover Plan shows all activities required to successfully migrate the business operations from your legacy system(s) to the new environment
- Example: What happens with quotes that are still open in your current environment? Who ensures that all users are setup correctly in the new environment?

3. Training Plan

- A Training Plan needs to address who needs to be trained, determine who is setting training goals and realistic timelines and who determines an appropriate training method.
- Example: Sales Reps and Channel Partners need to be trained. They will be trained by providing computer-based training. At the end of the training they will need to pass a test to get access to the production environment

4. Communication Plan

- A Communication Plan documents the communication needs with internal and external stakeholders/teams. It further determines what your stakeholders are interested in and which communication channels (email, F2F meeting, phone meeting, skype meeting etc.) work best for your stakeholders
- Example: This Plan also shows how you determine if your communication plan works as intended

5. Contingency Plan

- A Contingency Plan is a plan where you ensure that your business operations can go on if something goes wrong. It is advisable to prioritize the risks and then develop a plan on how you want to respond to that risk.
- Example: Typical questions to be answered are
 - What could go wrong?
 - What will you do if this happens?
 - Can you do anything in advance to prevent this?

Last but not least you should consider using a Change Impact Analysis for Change Management because it can provide you a better understanding of the implications of a proposed change. Check [this link](#) for further information.

Notes regarding Definition 2

The second definition is focused on managing scope, schedule and budget changes, which means it is important for Project Planning. While this is important for any organization to ensure a smooth and consistent handling of changes it is most important for a company that follows a waterfall Project Management Methodology or a hybrid of waterfall and agile Project Management Methodologies.

Let us look at the different type of changes that can occur

1. **Schedule Changes**: These changes impact the approved project schedule
2. **Budget Changes**: These changes impact the approved project budget
3. **Scope Changes**: These changes impact the approved project scope.

I'm sure you noticed that this is referring the triple constraint (scope, schedule, cost). Any change to one constraint can impact the other two.

Different Stakeholders can trigger these changes. Hence we need to look at the different, high-level stakeholders and their general responsibilities.

- **Front Office Solution Provider or System Implementation Partner**
This is the CPQ/QTC Solution Provider and/or a company that implements the CPQ/QTC Solution. Their basic responsibilities are
 - Provide guidance and best practice examples to achieve a requested business outcome
 - Conduct preliminary risk, cost, schedule and scope analysis for requested changes
 - Clarify any open questions or concerns from change requestors

- **Customer**

This includes all teams from the customer. Their basic responsibilities are

- Develop a Change Management Process
- Receive and manage all change requests from project stakeholders
- Approve all schedule, budget and scope changes
- Submit change requests on an approved request form
- Provide justification for change requests

Everyone should understand these general roles and responsibilities. Therefore they must be communicated to all project stakeholders before the implementation project starts.

Last but not least there should be a plan for how you want to deal with Change Requests. Here some typical questions regarding change requests:

- Does a requester have to use a Form? (to enter requested change, rationale for requested change, date change was submitted, requested release date etc.)
- Who can submit Change Requests?
- Who reviews and approves submitted Change Requests? In what timeframe? (e.g. determine impact, dependencies, risks)

Finally here are some helpful links on general Change Management that I recommend

- **Books**

- Leading Change by John Kotter
- The Psychology of Persuasion by Robert B. Cialdini
- Getting to Yes: Negotiating Agreement Without Giving In by Roger Fish and William L. Ury

- **Online links**

- Harvard Business Review (HBR) [Change Management links](#)
- [Blog Post](#) on NovusCPQ.com is CPQ specific