

## **BIOGRAPHICAL INFORMATION**

**Stan P. Weber**  
**Owner/Executive Consultant**  
**Stan P. Weber Executive Consulting**  
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### Specific Responsibilities

*In April 1997, Mr. Weber formed Stan P. Weber Executive Consulting for the purpose of providing executive-level consulting services to energy utilities worldwide, enabling those utilities to gain competitive advantage through enhanced business processes and the deployment of technology.*

### Past Experience

*From January 1986 to April 1997, Mr. Weber was an Associate Principal at Convergent Group and was among the original 4 founding members. He provided extensive executive project management services as well as technical consulting on issues concerning electric and gas utilities, municipalities, and multi-participant projects. He performed many of the original GIS cost-benefit studies for utilities in North America.*

*From May 1978 to December 1985, Mr. Weber was a distribution engineer for Arkansas Power and Light (now Entergy). His responsibilities included providing distribution engineering expertise and direction to the company's geographic division personnel, developing various computer modeling applications for distribution engineering, assisting in distribution work order approvals, periodic training of company personnel concerning distribution standards and applications, and performing new equipment reviews.*

### Educational Information

Louisiana State University - BS, Electrical Engineering (May, 1978)  
Additional courseware: Nuclear Power Systems, University of Arkansas at Little Rock

### Professional Memberships

Institute of Electrical and Electronics Engineers (IEEE)  
Geospatial Information & Technology Association (GITA)

## **“CHANGE MANAGEMENT” IS JUST TRAINING AND COMMUNICATION—RIGHT? WRONG!!**

All too often we find information technology implementations either moving too slowly or stalled. Upon closer examination the roadblock(s) could be that either a vendor has gotten behind schedule or the user community is not embracing the solution as had been envisioned. Anticipated business case benefits are minimized, or worse, never realized. Executive management is anxious to find answers and often blames the project team, but interestingly the finger is almost never pointed at themselves. Managing the expectations of users to new technology doesn't have to be a *hit-or-miss* proposition. What might be the cause and could it have been avoided?

This presentation will address commonly observed misconceptions of organizational readiness or 'change management'. The problem often stems from focusing on the technology or the tool rather than the people and how their business processes are supposed to be altered and enhanced. For 25 years the presenter has been observing how companies have been implementing typical utility information technology solutions. He will offer practical suggestions on getting management to place the proper emphasis on change management, as well as discuss the different but complementary nature of corporate organizational development/behavior modification groups. The listener will be able to take away practical tips to put into practice immediately upon returning from the conference.

### **INTRODUCTION**

Let's begin by asking the question, "Why do organizations feel a need or obligation to change"? We could attempt to categorize the answer in the following four (4) areas:

- Market Forces
- An Internal Need to Improve Performance
- Competitive Situations
- Rapid Changes in Technology

#### ***Market Forces***

An organization must be constantly aware of their perceived presence and position in their industry. It is this awareness coupled with a desire to not remain static that often drives change.

#### ***Internal Need to Improve Performance***

Executive management at a "for profit" organization is on a never-ending quest to improve the bottom line. This can often result from shareholder dissatisfaction or falling profits and market share.

***Competitive Situations***

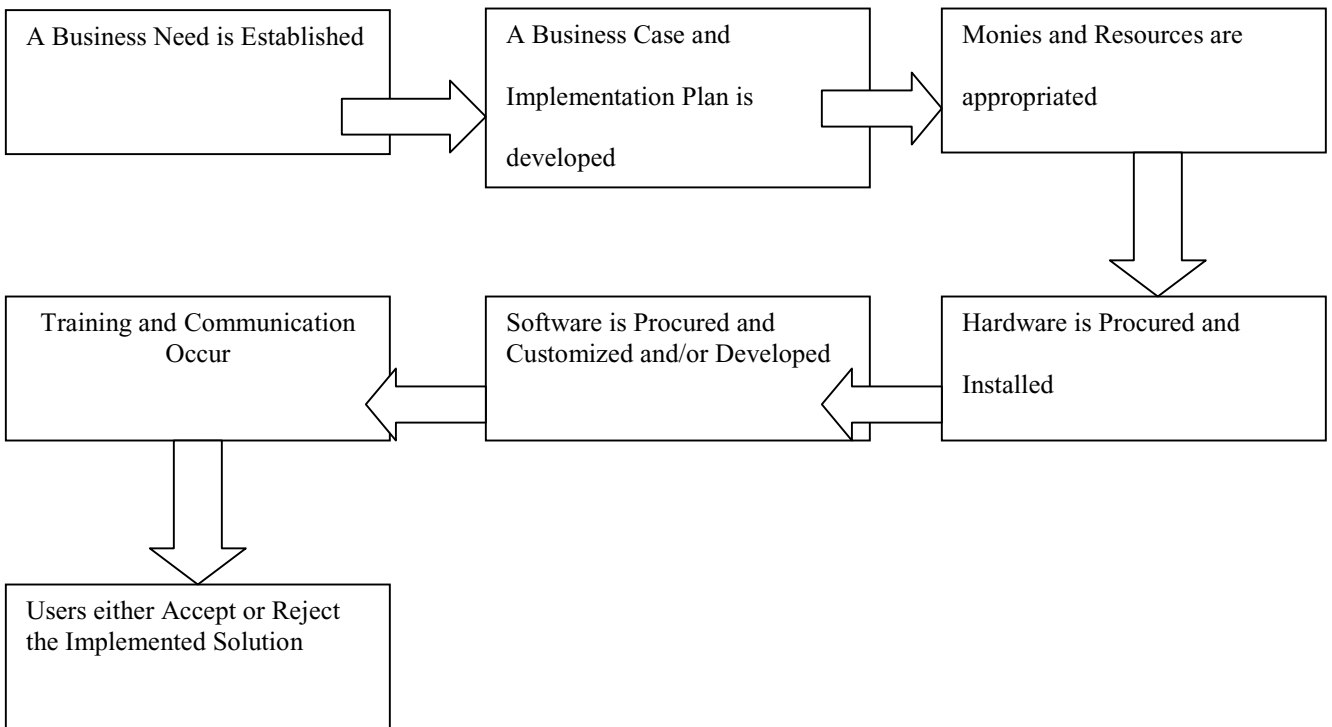
Threats to corporate survival will always foster a desire to change the way an organization does its business or delivers its products and services, if it means gaining market share from its competitors.

***Rapid Changes in Technology***

Technology can be a wonderful asset to our personal and business lives. Constant improvements in technologies are often a driver for an organization to change. Organizations don't incorporate technology into their business just for the sake of "keeping up", but most often see a clear and positive impact to the bottom line financially or in boosting the performance and morale of their employees.

**THE TYPICAL CYCLE (high level view)**

While the following graphic is not intended to be exhaustive, it does identify the major high-level steps that most organizations follow when introducing a technology solution.



## **Change Management**

The definition of change management that I use is “*how an organization goes about implementing the human changes brought about by technology and business process improvements*”.

How many efforts in the past could have been successful if the implementation plan was altered or phased-in to take into account the “organizational readiness for change” of its users? I would submit to the reader that many (not all) system implementations catalogued as “failures” in the past, were due to the organization’s failure to take the necessary steps to understanding their people, and the amount of change they could absorb.<sup>1</sup>

The successful organizations that implement technology solutions with an intense focus on change management most often do so because they have learned through their past failures. Many organizations have learned the hard way that while the actual technology solution itself can be superior; if the users do not embrace and utilize it effectively then the implementation cannot be termed as successful.

Often, however, organizations tend to think about “change management” as just training and communication. Several of the more common misconceptions regarding “Change Management” that I continue to experience are:

- Training will take care of the education process
- Executive sponsor(s) will make the rounds and take care of the communications regarding the project
- Project Team doesn’t need to focus on this. We can let the corporate training/human resources group handle this aspect of the project implementation
- Organizational Development group within an organization can perform the change management for the project
- We didn’t budget for that, so we will have to find additional funding

## ***Training***

Training is a necessary component of a change management plan, but it is by no way the sole piece of the overall education process. A typical utility IT project may be several years duration from initial business case justification to full implementation. We often think about training as something to be delivered just prior to the actual implementation of the technology solution. I would like to suggest that the reader consider training as a necessary ingredient at the very beginning of a project effort. And if you are finding it difficult to use

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<sup>1</sup> “Getting Difficult People to Successfully Deploy Difficult Technology”, GITA Conference Proceedings 2001, page 7; paper presented by Stan P. Weber Executive Consulting

the word “training”, then call it “expectation management”. Training can play an important role in getting the Project team all “on the same page” in understanding the functionality, strengths and weaknesses of the selected technology solution. Training is also very helpful for both Executive and Steering Committee members. This is often a step that I see missing. The more that Executive sponsor(s) and steering committee members understand the functionality being delivered by the solution technology through high level training, the better they are able to perform their sponsorship and steering duties.

There is both a *time* and a *content* component to proper training. The timing of training is crucial. If training is delivered too early from the actual solution deployment, then students will forget what they have learned after being immersed back into their regular work routines. The content is also vital in that it should cover basic fundamentals of the solution followed by actual business processes that change as a result of using the new technology. Showing a group of utility dispatch employees how to navigate an Outage Management System (OMS) is helpful, but to walk them through step-by-step of their new dispatching processes—using the OMS—is the most meaningful.

While the author has observed many training classes and programs *prior* to the technology solution deployment date, what is seldom observed is a systematic follow-up training program. Users often forget some of the methods they learned in the training class, and resort to manual workarounds, thus impacting the anticipated benefits. It is my opinion that “follow-up” training is very valuable since the users are then able to ask even better questions, and are even more engaged than they were during the initial training sessions.

### ***Communication***

The presence of poor communication and lack of cooperation may have contributed to more technology failures than any other issue. While the technical aspects of the technology solution are complicated, most of the really hard issues arise from the business process changes and organizational adjustments that are inherent in these implementations.

Organizations often believe that the best way to communicate the “kickoff” of a new project is to have the Executive Sponsor(s) travel around to various groups making a prepared speech—not unlike a political candidate running for office. I would like to humbly submit that while this may be the traditional method, it may not send the desired message. If the reader accepts the premise that the rank and file employee will have a higher trust factor with their local “day-to-day” manager rather than Executive management—then it may be more effective to “elevate” the local manager by allowing them to deliver all information regarding the new project. The Executive sponsor should be present to make supporting comments, but the audience clearly receives the message that the local manager is “in the loop” and will be the main communicator for all subsequent project communications. I don’t think I could stress this point more strongly.

Many individuals on the periphery of a large information project will not understand the intricacies of such a large effort. Executives and managers who may be involved in various review/steering committees can be very critical of the amount of time, effort, and money required. Even if they are part of the communication process, they are likely to be unhappy about any large investment, which can compete with their own information system

initiatives. This requires a clear communication plan that explains how this specific project fits into the overall organization's mission and goals—and this must be communicated over and over again.

### ***Human Resources/Corporate Communications***

Within most organizations, these above mentioned groups are often tasked with conducting the training and communications for what I will call “company-wide” efforts (i.e. safety, public awareness, blood drives, community sponsored programs, etc.) While these groups perform a type of change management for the company as a whole, they are not best utilized to perform the kind of change management associated with the implementation of utility engineering and operations technology projects (i.e. CIS, WMS, GIS, OMS, EMS, etc.) These projects require a detailed understanding of how the current business processes are altered to take advantage of the insertion of new functionality which often comes from new technology.

This requires that the individuals staffing a change management team for a utility IT project be well versed in the actual business processes that are being changed. Individuals that have actually performed the jobs where the business processes are being impacted make the best candidates for two reasons: (1) They are familiar with the work processes and clearly can communicate how the new technology will be utilized to achieve the desired benefits, and (2) they are known by the user community and will most likely be trusted when they are either communicating project details or facilitating the actual training. Therefore I believe that unless circumstances are unique, Human Resources or Corporate Communications should not be used as the primary role, but could be used to supplement the Project Change Management team.

### ***Organizational Development***

Another misconception is that an Organizational development (OD) group can perform the necessary change management function for a utility IT technology project. An OD group typically performs cultural and behavior modification for an organization. They are often used to poll employee satisfaction levels, mediate internal departmental conflicts, and conduct exercises to enhance employee relationships. For the same reasons as previously stated, an OD group would not be the correct choice for training and communicating new business processes as a result of implementing new technology solutions. They can, however, be an excellent supplement to a project change management team in the realm of project team building exercises, resolving both executive management and employee personality conflicts and other related people or cultural related project impediments. This is often overlooked and should be exploited.

### ***Funding for Change Management Activities***

Most organizations both totally miss this aspect and don't budget for change management activities or they relegate a low level of funding to this category. One would think that past

experience gained in implementing large utility IT technology solution projects would keep that from happening, but unfortunately I continue to see a number of organizations not willing to appropriate funding for this very important critical success factor. A recommended rule of thumb would be 1.5% - 2.0% of the entire project cost should be allocated for change management activities.

### ***Conclusions***

The best way to combat misconceptions is through education and communication. Executive management often desires to understand the need and value of initiatives before any funding will be approved. Change management is often either misunderstood or not taken seriously. By “seriously”, I mean that while Executive management says they understand the need and importance of change management, they don’t fund it appropriately—thus effectively giving just “lip service”. A recommended path would be to put together a change management implementation plan so that the need can be explained and the importance of the funding established. At a minimum, the following items should be included in such a plan:

- 1.0 Introduction (What is Change Management and Why do we need it)
- 2.0 Goals and Objectives – Organizational & Project specific
- 3.0 Approach – Discuss the methodology used
- 4.0 Risks/Benefits – Identify a) Assumptions and (b) Constraints (internal and external)
- 5.0 Organization and Staffing – Organization chart with staffing plan
- 6.0 Roles and Responsibilities – Project Leads, Project Teams, Org. Dev., etc.
- 7.0 Training – Scope; Approach; Activities; Deliverables
- 8.0 Communications – Scope; Approach; Activities; Deliverables
- 9.0 Measurements/Monitoring
  - 9.1 Business Process Gap Analysis from “Current State” vs. “Future State”
  - 9.2 Executive Management metrics (Steering Committee)
  - 9.3 Organizations’ employees ability to assimilate change
  - 9.4 Effect Organizational politics had on budget and schedule
  - 9.5 External distractions (mergers/acquisitions)
  - 9.6 Realization of estimated vs. actual benefits from business case
- 10.0 Detail Schedule and Budget