Organizational Change Management for Data-Focused Initiatives

Your Executive Sponsor and Change Management Team Matter

by First San Francisco Partners

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Getting people successfully through a new enterprise information management (EIM) initiative requires a focus on the change's impact to your organization's data culture, processes and policies. Ultimately, the changes you are planning are in the hands of your people. And that is because you need people to **make the changes** — such as adopting key policies and procedures for a new data governance program or supporting a much-needed data quality initiative. And you need people to **champion the changes**.

There are a number of important change management roles for the success of your data-focused initiative. The two we'll address here are the **executive sponsor** — the influential senior leader who supports the initiative — and the group we like to call the **change champions team**. These are the individuals who actively support and understand the value of the change initiative.

But first, why manage change?

You're asking people to think and behave differently about how data is created, accessed, managed and used. Change is often hard for people, and that can lead to resistance. This occurs for many reasons, including:

- There is a loss of the familiar and a fear of failure in the new environment.

- The transition between the old and the new can be confusing and disorienting.

- There is often weak or no sponsorship by executive leaders and managers, because either they don't agree with the direction or haven't been engaged in the data initiative.

- People often feel overloaded with current responsibilities and don't believe they can cope with anything new.

- No one has explained the rationale for the data initiative nor how it will benefit both the organization and them in future.

- Those impacted by the change have not been engaged in crafting the go-forward solution.

- They're skeptical about how change was handled in the past — mismanaged or not implemented, because it was not a priority or was difficult to support. This leads people to resist new change-related efforts, because they've learned that if they hold off long enough they won't have to comply. This doesn't bode well for the success of your data governance (or other EIM) initiative.

Two Sides to Change Management

For change efforts to be successful, both the situational and psychological sides need to be addressed.

Situational

The "Who? What? When? Where? and Why?" aspects about understanding the change:

- Something old stops, and something new starts.
- Learning a new process is usually easy for people to plan for and train accordingly.

Psychological

The reorientation people must go through as they come to terms with the new situation:

- People must let go of the old situation before getting comfortable with the new one.
- People adapt to change at different rates, and this rarely aligns with a change plan's milestones.

This is where a structured OCM approach can help. A plan (and the right people connected to it) will help to navigate your organization through — and successfully sustain — the changes required to roll out any aspect of your data strategy, be it governance, data management, master data management (MDM), data quality, analytics or any combination of these.
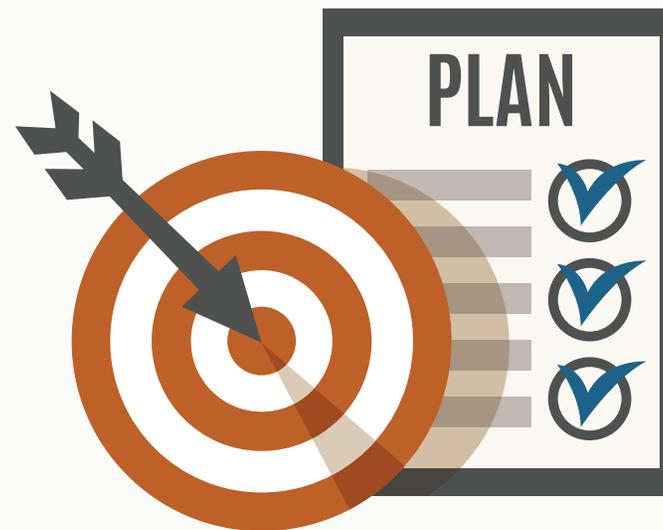
Does managing change pay off?

According to McKinsey & Co.*, which has analyzed change management trends for decades, it certainly does:

- Organizations that develop and fully implement specific transformational change activities report a **79% increase in the initiative's success rate,** which is three times the average for organizational change.

- Communication tactics, in particular, contribute the most to change management success. At companies where senior leadership take an active role in change management initiatives, the company's efforts are **12.4 times more likely to be successful** with these managers' continual involvement.

- Walking the talk makes a key difference, too. When senior leadership models the behavioral changes they ask their employees to make, transformation efforts are **5.3 times more likely to be successful.**

There is another organization, Prosci, which conducted frequent best practices studies for the past 20+ years. Prosci's 2014 report, Best Practices in Change Management, shows a strong correlation between effective change management and achieving initiative success.

For those programs with excellent change management support, there is a **95% success rate versus 17% for those with little or no change management support.**

Both studies clearly demonstrate the value of adding change management tactics to your data initiatives.

*McKinsey & Co. survey, April 2015
— *How to Beat the Transformation Odds*

Characteristics of an Effective Sponsor

- Understands and articulates the vision for the "what and why" of the change

- Advocates for overcoming the organization's resistance to change

- Demonstrates perseverance when challenges arise and can remediate

- Provides visible support throughout the life of the change initiative

- Holds leaders and teams accountable to the initiative's goals and objectives

- Communicates effectively, keeping people informed and engaged

The #1 success factor:
The "right" executive sponsor

Your data initiative needs an executive sponsor. Having the right person in this role significantly improves your chances of making needed changes happen. As the leader of the data initiative, he or she has a crucial role in OCM activities, like communication, building a coalition of aligned leaders in support of the effort and addressing resistance when it occurs.

If your initiative doesn't have an actively involved executive sponsor, your chances of success decrease significantly. Take the example of an energy company that tried to implement data governance. The project team from IT worked diligently to define their approach and roll-out strategy. The team worked with their business community and successfully engaged data stewards and gained acceptance and agreement to participate in the direction they needed to go. However, they had no senior executive engaged as a sponsor to help get the attention of other leaders to gain agreement and build senior-level support for the approach.

The result? With no executive sponsor available to break through the resistance that came along (as it always does), the energy company's governance initiative was a failure. Nothing ended up being implemented, which meant a total waste of the investment.

People look to senior leaders for messages (both spoken and unspoken) about the organization's commitment to change.

Is the "right" executive sponsor actively involved in your data initiative?

If not, your chance of success is significantly decreased. And research backs this up. Prosci's best practices studies consistently show that having the right executive sponsor is the top critical success factor for making change happen. The emphasis on "right" means someone with the authority and credibility, among other leaders in the organization, to build support for your data initiative – making sure the expectations for support are clear and that resistance gets addressed.

People in the organization will look to senior leaders for messages (both spoken and unspoken) about the initiative's importance and the organization's commitment to change. Your sponsor's credibility will have a direct impact on employees' perceptions of your data initiative.

When a Sponsor Fails: Watch Out for These Red Flags

- The sponsor fails to personally engage in the project (missing meetings and calls, etc.).

- She does not communicate the change directly to employees or doesn't communicate very often.

- He agrees to be involved, but then delegates his sponsor role to other leaders in the organization.

- The sponsor doesn't demonstrate an understanding of the "people implications" of change.

- She wavers in support of the project and the changes it will bring to the organization.

- He doesn't build a sponsorship coalition with other leaders and assumes that support will be there.

Where do you find the right executive sponsor for your data initiative? Look for leaders in your business who have taken an interest in what you are doing. Put together information on why an executive sponsor is important, and make your pitch to the potential sponsor. If there is more than one leader who is interested in playing this role, consider the development of an "executive data group," with multiple sponsors.

Take the time to educate the executive sponsor on the role and its expectations, and put together steps (communications, meetings, etc.) to get the person engaged in the change-related tactics.

The role of change champions

Along with the executive sponsor, there are other key advocates that help support change in a data-focused initiative – and that is to establish a change champions team. This group is made up of people who are strong advocates for the data initiative you want to implement. They typically come from across the organization without regard for hierarchy or traditional organizational lines. Change champions understand and support the value of what you're trying to do and can be valuable allies to helping build support among their colleagues.

There are any number of ways to staff the change team that keeps in mind the fact they have day jobs – that is, unless you're fortunate to have one or more full-time employees who can dedicate 100% of their time to the new change effort.

Change champions don't have to be members of the main EIM initiative's team, though they may be. Consider recruiting the data power users, data stewards or several people who are accountable, for example, for data governance responsibilities in the various business areas. Another change team member could be from Human Resources or internal communications.

Keep your change team relatively small, about five to eight people. With your sponsor, work with leaders in the groups impacted by the change and ask for their help identifying key players who would be valuable on the change champion team.

Invite people to participate, mentioning referrals from leadership where appropriate. Explain that participation is voluntary, but that active participation is expected if they agree to participate. Then train the group to be your change management advocates, so they can help others in the organization to deal with the change.

Responsibilities of an Effective Change Champions Team

- Learns the roadmap for your data initiative and promotes the intended outcomes for each phase

- Develop itself as a group of "go-to" individuals for colleagues with questions and concerns

- Assists with overcoming resistance to needed changes among its colleagues

- Identifies issues "on the ground" and raises them quickly for resolution

- Gathers feedback on communications and training effectiveness, and provides feedback to the data program leadership

What to look for in a change team member

Your change champions play an important role in the data-focused initiative. Consider these characteristics as you build your advocacy group:

- Strong personal leadership and influencing skills

- Positive role model for the projects within your data strategy roadmap

- Someone trusted and respected by colleagues and seen as a "go-to" person

- Someone who can translate the overall change vision and the roadmap to their colleagues

- Someone who can recognize resistance to change and be supportive of colleagues

Once the team is formed, they will need help to operate as a team. Since they probably haven't had a similar role before, they will need training on what you expect them to do.

How to engage your change champions

Here are suggested tactics, along with the benefits, for empowering and engaging your change champions:

- Get the group to develop a team charter to provide a framework for its operations – e.g., deciding the team's objectives, role, expectations, how to manage issues, etc. Mapping out the structure, expectations and roles early on will offer maximum benefit throughout the life of your program.

- Train the team on their change champion role and expectations, as well as change management concepts and why people resist change. This formalizes the role and provides context for the group's participation, while giving them the opportunity to vet concerns.

- Educate the group on the EIM program's roadmap, its key milestones and timelines. Your change champions will become experts on the project and know what is needed to cross the finish line.

- Ask the change champions to take an active role in reviewing and/or writing the change communications. The change team can shape how messages will be received by employees and address any concerns.

- Encourage them to both develop and test out training before general distribution. Doing so, they can help colleagues understand the benefits of and adjust to the upcoming changes.

Your Next Steps

Is your data-focused initiative still at the planning stage? If so, great — as that's best time to bring the idea of a structured OCM approach to the table.

If you're down the path of completing your current data effort, that's OK. It's rarely too late to take steps to better manage some required changes. Keep this guide's strategies and roles in mind and think about how you can use some of the ideas to add value, no matter where you are in the process.

Are you working on a new roadmap? Then start today to build your OCM business case for the next phase of work.

Which of these ideas could be your next step?

- Get a cross-functional group together to talk about a recently completed initiative. Discuss how the change was communicated and managed. What worked and what didn't? Who played key roles? How can this benefit the next step in your data plan?

- Draft a "team charter" to map out roles and responsibilities of the executive sponsor and change champion team members. Share it with individuals who might have played similar roles in the past. Incorporate their feedback, as needed.

- Evaluate your organization's communication channels. Which ones work well and which don't? Are you using a diverse mix of online and offline channels? What's a new, untapped channel that could make a difference next time?

- Collect feedback from those who were/are stakeholders in your data initiative. Ask them what's been working so far and what hasn't. Do they understand what you are trying to accomplish? What actions would help them get on board?

For Changes to Be Successful …

- Be clear on what is happening and "the why" and the benefits that will result.

- Make it safe to acknowledge that change is difficult, and it takes time and energy to go through it.

- Make sure you have engaged the right executive sponsor for your data initiative. This is essential for success.

- Paint a picture of the future environment, a "day in the life" once data governance (or data management or MDM, etc.) is implemented.

- Research shows that engaging people to participate in the process leads to faster acceptance of an initiative. Give people a chance to become involved in the changes by offering volunteer and more formal opportunities.

- Demonstrate you are listening. Solicit feedback from your stakeholder groups, and connect actions taken to the input you receive.

- Give managers training and tools for leading their employees through change.

- Regularly communicate the change program for your data initiative, acknowledging milestones achieved and benefits realized along the way.

I hope you found this guide to be beneficial and actionable. Here's to making the most of your next EIM effort — and making those changes stick!

Pam

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Pam Thomas is an organizational effectiveness practitioner with more than 30 years of experience as a consultant and executive-level leader. As a veteran Human Resources strategist, she is adept at aligning HR and business strategies – as well as identifying and managing all the necessary elements to affect change in organization and drive business results through people.

Pam has managed complex and diverse change management programs and projects for a variety of organizations, including First San Francisco Partners. Her expertise includes consulting services in the areas of change management strategy and planning, change management project and program delivery, and coaching and mentoring leaders through the organizational change associated with EIM.

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Having trouble making your EIM changes stick? Put our change management experience to work for you!

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Additional Resources

Organizational Change Management: Get to the "Hard Stuff" and Make Your Case, September 2016
Organizational Change Management: That "Soft" Stuff is Really the Hard Stuff, July 2016
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