Change Management Best Practices in Customer Information System (CIS) Implementations

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About Our **CIS Series**

If you're a Utility that is considering going down the Customer Information System (CIS) replacement path, have either already started on this journey, or have finished your project and are now looking back at it, then the following CIS Series is for you.

CIS projects are a considerable investment in time, money and effort. Using best practices, industry knowledge and insights found in the pages ahead will set you up for success, save you time and money during your process, and reduce your risk by using insights and learnings of others in the Utility industry.

Throughout this series, we'll provide insights to Utilities and open up a discussion and debate forum, where you can discover key aspects to consider when planning or delivering your CIS project.

Kaihen has worked on many CIS projects in Canada, and we will share our learnings and points-of-view, as well as the experiences of our Canadian clients to help you during your CIS journey.

Please join us in the CIS Series.

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Introduction

Implementing Customer Information Systems (CIS) is a pivotal undertaking for organizations seeking to enhance operational efficiency, customer experience and adaptability. As technology becomes increasingly intertwined with organizational processes, a successful CIS integration is, in fact, a technological challenge and a profound organizational change endeavour.

This paper delves into the intricate relationship between CIS implementations and the indispensable role of Organizational Change Management (OCM) in ensuring their success. It aims to comprehensively explain how the change management function can empower senior decision-makers and management professionals in utility companies and municipalities to overcome people-related challenges during CIS projects.

In the following sections, we will explore the significance of OCM in the context of CIS implementations, outlining the potential challenges faced and how effective OCM can mitigate some risks.

Let's embark on this journey of transformation together.

The Importance of OCM in CIS Implementations

The Power of Effective Organizational Change Management in CIS Implementations

Figure 5.1 – Correlation of change management effectiveness with meeting objectives
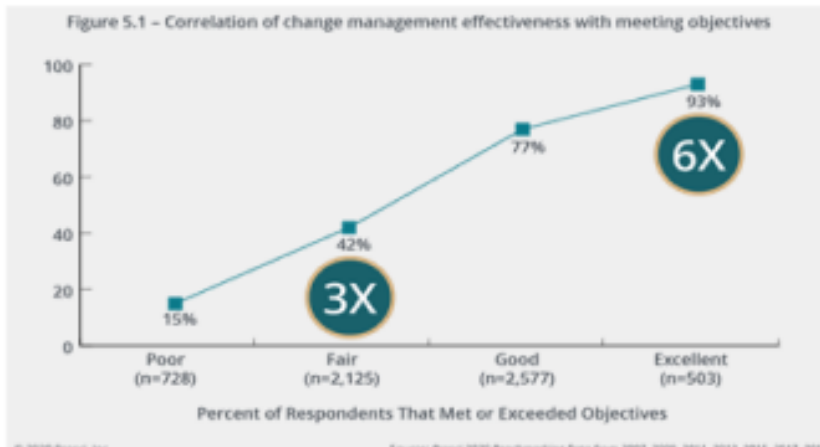
> Prosci's Best Practices in Change Management research consistently shows that initiatives with excellent change management are more likely to meet objectives than those with poor change management

Did you know that 93% of organizations that report excellent change management effectiveness meet or exceed their objectives? This figure is in stark contrast to the 15% of organizations with poor change management effectiveness and 42% with fair effectiveness, according to PROSCI. Change management is crucial to the success of complex projects, focusing on managing the human aspect of change and helping all stakeholders adapt to new systems, processes, and technologies.

Customer Information System (CIS) implementations are particularly intricate, requiring a unique level of complexity compared to other technical projects or ERP implementations. These solutions are the backbone of utility companies and municipalities, affecting every aspect of their operations, from customer data management, billing and service delivery. As a result, CIS projects involve a range of stakeholders and processes, making them incredibly complex and multifaceted. In the context of CIS implementations, the significance of Organizational Change Management (OCM) becomes even more pronounced due to its substantial impact on customer-facing interactions. For these reasons, incorporating effective OCM strategies is crucial to the success of CIS projects.

Implementing CIS solutions can be complex, which is why robust change management strategies are necessary. CIS projects encompass a vast range of stakeholders, including internal and external parties, and require a comprehensive approach to ensure success.

According to Teresa Omand, Director of Project Delivery at Kaihen, change management is not a standalone function but an integral part of the overall CIS solution. It complements the business aspects of the project, ensuring that human and organizational elements align harmoniously with technical changes.

Effective change management strategies extend beyond managing individuals directly engaged in the project, encompassing the broader spectrum of stakeholders implicated by the project's implementation. These can range from project teams, staff, management, customers, partners, suppliers, and the community.

By addressing the needs of both those orchestrating the change and those affected by it, change management ensures a comprehensive approach that considers and accommodates diverse perspectives and interests. This fosters a harmonious coexistence of internal and external dynamics throughout the project's lifecycle, ultimately leading to successful CIS implementations.

In the following sections, we will discuss the specific challenges associated with CIS implementations and how organizations can utilize OCM to ensure a smooth implementation. We will also provide best practices to ensure that your CIS implementation is seamless, benefiting both your organization and valued customers.

Key Challenges in CIS Implementations and OCM Solutions

Implementing Customer Information Systems (CIS) poses unique challenges that require effective Organizational Change Management (OCM) solutions for successful outcomes.

Let's explore some of these challenges and how OCM can address them:

Cultural and Organizational Resistance Challenges

In the landscape of CIS implementations, cultural and organizational resistance to change can present formidable obstacles. OCM serves as a guiding light, offering strategies to navigate these challenges deftly and cultivate a culture of change readiness.

OCM excels in addressing resistance to change at the organizational level, ensuring the entire workforce is aligned with the transformation goals.

This is accomplished through:

- **Change Impact Assessment:** OCM conducts a comprehensive assessment of the anticipated impact of the CIS implementation on the organization. By understanding the potential disruptions and concerns, OCM can craft targeted strategies to manage and mitigate these challenges.
- **Stakeholder Involvement:** OCM encourages the active involvement of employees and stakeholders in the change process. This inclusivity fosters a sense of ownership and participation, making individuals feel valued contributors to the transformation.
- **Clear Communication:** Open and transparent communication is at the heart of OCM's approach. OCM specialists ensure that all stakeholders are well-informed about the upcoming changes, their rationale, and how these changes align with the organization's goals. Effective communication involves not only conveying information but also listening to stakeholders' concerns and addressing them proactively, fostering trust and buy-in throughout the change journey.

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- **Resistance Management Plans:** OCM designs robust management plans explicitly targeting areas where resistance is most likely. These plans outline proactive steps for addressing opposition and turning it into constructive input.

Fostering a Culture of Change Readiness

Fostering a culture of change readiness is a central pillar of OCM's approach. This involves instilling a mindset within the organization that views change as an opportunity rather than a disruption. Openness and proactivity within the organization are paramount for successfully navigating change initiatives. Openness encourages transparent communication, allowing concerns to be addressed openly and fostering trust among employees. Proactivity empowers individuals to anticipate and prepare for potential challenges, enabling them to adapt more effectively to change and contribute positively to organizational transformation.

"By being upfront and proactive in addressing potential obstacles, we empower stakeholders to think critically and prepare for all eventualities. Difficult conversations pave the way for honest dialogue and shared understanding, ultimately laying the foundation for a successful CIS implementation," emphasizes Damon Heron, Senior Manager of Business Transformation at EPCOR.

Strategies for achieving this cultural shift encompass:
- **Leadership Role Modeling:** OCM encourages leaders to exemplify the desired behaviour and attitudes towards change. When leaders demonstrate resilience, adaptability, and enthusiasm for change, it sets a powerful example for the entire organization.
- **Change Agents:** OCM identifies and nurtures change agents within the organization. These individuals, often from various levels and departments, serve as advocates and role models for embracing change.
- **Training and Development:** OCM promotes continuous learning and development as an integral component of the organization's culture. This ensures that employees are not only prepared for current changes but are also adaptable to future transformations.
- **Celebrating Success:** Acknowledging and celebrating successful change initiatives reinforces the organization's commitment to adaptability and innovation. These celebrations instill a sense of achievement and motivation for further changes.
- **Feedback Mechanisms:** OCM establishes feedback mechanisms to encourage employees to share their thoughts, concerns, and suggestions. This two-way communication fosters a culture of openness and responsiveness.

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In navigating the cultural and organizational resistance challenges inherent in CIS implementations, OCM offers a holistic strategy that mitigates resistance and transforms it into a catalyst for positive change. Developing a culture of change readiness propels organizations towards long-term success and sustainability in the face of evolving industry landscapes.

Navigating Training and Skill Development Challenges

Training and skill development are pivotal in successfully assimilating new systems and processes in CIS implementations. OCM addresses these challenges and facilitates effective solutions.

Role of OCM in Designing Effective Training Programs:

Effective training programs play a pivotal role in ensuring the project team's readiness to navigate the complexities of the new system. While traditional training focuses on end-user proficiency, specialized CIS navigation training for the project team is essential to equip them with the knowledge and skills necessary for informed decision-making and successful project execution.

Their contributions encompass:

- **Identifying Training Needs:** OCM specialists collaborate with project teams to discern the precise training needs of employees across various organizational levels. This ensures that training programs are finely tuned to the roles and responsibilities of each stakeholder group.
- **Customizing Training Content:** OCM underscores the customization of training content to cater to the organization's distinct demands, including specialized CIS navigation training for the project team. This tailored approach ensures that training materials are relevant, engaging, and directly applicable to the project team's roles and responsibilities. Additionally, OCM specialists focus on modifying training delivery methods to accommodate various learning styles and preferences. This may include offering a mix of online courses, interactive sessions, hands-on workshops, and other innovative learning approaches. By providing diverse training options, organizations can cater to the individual needs of project

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team members, ensuring that they can effectively absorb and apply the knowledge gained during training. This holistic approach maximizes the effectiveness of the training programs, ultimately contributing to the success of CIS implementations.

- **Communication and Change Alignment:** OCM professionals ensure the seamless integration of specialized CIS navigation training programs into the broader change initiative, aligning training objectives with project goals and objectives. This alignment underscores the strategic importance of CIS navigation skills in driving organizational change and empowers project team members to connect their learning to the project's overall objectives

Importance of Ongoing Support and Skill Development:

OCM emphasizes that training is not a one-off event but an ongoing, evolving process. The importance of continuous support and skill development is encapsulated as follows:

- **Post-Training Support:** OCM strategies incorporate mechanisms for post-training support. These mechanisms ensure that employees can access resources and assistance after the initial training, reinforcing their learning and addressing any queries or challenges.

Expert Advice

It's crucial to take a proactive and strategic approach to tackle training and skills development challenges in CIS implementations. This includes breaking down information into digestible segments and initiating 'pre-training' before the formal implementation. By breaking down the information modularly, we empower the workforce to understand and adopt the changes.

- **Enhancement:** OCM fosters a culture of skill enhancement, where employees are encouraged to nurture their abilities continuously. This focus on continual skill development aligns with the organization's imperative to adapt to evolving technologies and industry trends.

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In addition to these strategies, OCM encourages continuous learning and development within the organization. Joanne Cermak, Director of Financial Services at The Regional Municipality of Durham, states, *"It is important to engage individuals who are willing to learn and contribute innovative ideas to overcome resistance to change."* This emphasis on continuous learning aligns with the organization's imperative to adapt to evolving technologies and industry trends, fostering a culture of change readiness.

Success Factors in OCM for CIS Implementations

Integration of OCM and Project Management Activities

One of the critical success factors in CIS implementations is the seamless integration of OCM and project management activities. OCM should not be a separate entity but an integral part of the project's fabric.

Damon Heron, Senior Manager of Business Transformation at EPCOR, states, *"The full integration of the OCM lead into the project management structure is not just desirable; it's critical for ensuring the success of complex projects like CIS implementations. By granting the OCM lead a seat at the table during Steering Committee meetings and establishing a direct line to the Project Manager, we ensure that OCM isn't just a side note but a pivotal component driving project success."*

Additionally, it's crucial to recognize the distinction in their focus. Project management teams typically operate within the project boundaries, managing project-specific tasks and objectives. On the other hand, the OCM team plays a unique role by extending its focus outward, encompassing the stakeholders beyond the project team.

While project managers ensure the project's schedule, budget, and scope are met, OCM professionals focus on stakeholders who may be affected by the project's outcome. This outward focus includes assessing and managing stakeholders' concerns, needs, and expectations, such as employees, customers, and partners. This clear differentiation of focus is a critical factor in integrating OCM and project management. While project management keeps the project on track within its boundaries, OCM is the bridge that connects the project's objectives with the external stakeholders, ensuring their alignment and engagement throughout the project lifecycle.

By integrating these two teams and emphasizing their unique roles, organizations can navigate the challenges of CIS implementations more effectively and drive successful outcomes.

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Tailored Communication

Joanne Cermak, Director of Financial Services at The Regional Municipality of Durham, emphasized the importance of transparent communication, stating, *"Don't hide the negative points. You've got to acknowledge that they're there and that you're finding a way to address (them)."*

The art of this kind of engagement is all about crafting personalized communication strategies that speak directly to each audience's unique needs and concerns, ensuring that everyone involved feels heard, valued, and motivated to contribute to the project's success.

Here's why this approach is vital:

> **Managing change fatigue is cited as a top mission-critical priority by 50% of communications leaders.**
>
> Audience information overload ranked second, as stated by 46.5%, followed by challenges when adapting to new technologies and digital trends, as cited by 35.6% of communication leaders. [1]

Recognizing Diverse Audiences: A paramount reason for tailoring engagement and communication strategies is the recognition that CIS implementations involve a broad spectrum of stakeholders, each with unique characteristics, expectations, and interests. These stakeholders can range from internal employees to external partners and customers.

Effective Methods for Engagement: To ensure tailored stakeholder engagement, organizations employ a range of practical methods:

- **Audience Segmentation**: The first step is to segment stakeholders based on shared characteristics and interests. This segmentation allows organizations to create targeted messages and communication plans.
- **Clear and Transparent Communication**: Transparency is a cornerstone of effective engagement. Clear and open communication builds trust and keeps stakeholders well-informed about the project's objectives, progress, and potential impacts.

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1. *Change Management and Communication Strategy*. (n.d.). Gartner. https://www.gartner.com/en/corporate-communications/insights/change-communication

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- **Varied Communication Channels:** Recognizing that different stakeholders may prefer different communication channels, organizations use various methods, including emails, meetings, webinars, and social media platforms. This ensures that messages reach stakeholders through their preferred channels.
- **Engagement Opportunities:** Providing stakeholders with opportunities for engagement is crucial. This can involve feedback mechanisms, discussion forums, and regular check-ins to address questions and concerns.
- **Customized Messaging:** Tailoring messages to each stakeholder group's specific interests and concerns is a crucial practice. Messages should resonate with the unique needs of each audience.

Establishment of a Change Agent Network

Establishing a Change Agent Network is critical to drive successful outcomes in CIS implementations. This network is a dynamic and resilient force that fuels change from within the organization. Let's delve into its role and significance, along with the process of building and sustaining this vital network.

Role and Significance: The Change Agent Network is a group of individuals within the organization who assume the role of champions for change. These individuals are often called change agents and are pivotal in facilitating and guiding the transformation process. Their significance lies in several key areas:

1. **Advocates for Change:** Change agents advocate for the proposed changes. They believe in the project's vision and can effectively communicate its benefits to their peers and colleagues.
2. **Stakeholder Engagement:** Change agents act as intermediaries between the project team and the broader organization. They engage with various stakeholder groups and ensure their concerns, questions, and feedback are heard and addressed.
3. **Support and Influence:** These agents possess influence and respect within the organization. They can help mitigate resistance to change and encourage their peers to embrace new systems and processes.
4. **Feedback Mechanism:** Change agents provide a valuable feedback loop. They collect input and concerns from their peers and convey this feedback to the project team, allowing for timely adjustments and enhancements.

Building a Resilient Change Agent Network: Building a Change Agent Network involves a systematic process to ensure its resilience and effectiveness:

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1. **Identification:** The process begins with identifying potential change agents. These individuals should be able to influence others, possess strong communication skills, and demonstrate a genuine commitment to the project's success.
2. **Training and Preparation:** Change agents receive training and preparation to equip them with the necessary knowledge and skills. This includes a deep understanding of the project, effective communication techniques, and strategies for managing resistance.
3. **Engagement:** Once trained, change agents engage with their respective stakeholder groups. They build relationships, gather feedback, and act as conduits between the project team and the organization.
4. **Feedback and Support:** Change agents continuously collect feedback, address concerns, and support their peers. They are crucial in creating a sense of ownership and readiness for change.
5. **Recognition and Incentives:** Recognizing the efforts of change agents is vital for sustaining their commitment. Incentives and recognition programs can motivate them to continue their valuable work.
6. **Evolution and Growth:** The Change Agent Network is not static. It evolves as the project progresses, and new agents may be identified when needed.

The Change Agent Network is the lifeblood of change management in CIS implementations. It bridges the project team and the broader organization, ensuring that the human and organizational elements align seamlessly with the technical changes. By building and nurturing this network, organizations can tap into the power of internal advocates who drive change with resilience and dedication, ultimately contributing to the success of CIS projects.

Measuring Success

Measuring the success of OCM in CIS implementations is paramount to ensure that the project meets its objectives and delivers the intended benefits.
Here are the key aspects of measuring OCM success:

1. **Business Readiness Assessments:** Conducting thorough business readiness assessments allows the project team to gauge the organization's preparedness for the change. These assessments provide insights into the organization's ability to adopt the new system and identify areas that require additional support.

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2. **Pulse Surveys:** Implementing pulse surveys at various stages of the project enables the team to gauge staff's comfort level and assess the project's progress. These surveys provide valuable insights into the staff's concerns and challenges, allowing the project team to take necessary actions to address them.

Expert Advice

Storytelling and Communication: Utilizing storytelling as a means to introduce change management helps track the staff's understanding and acceptance of the new system. Effective communication strategies ensure that stakeholders are well-informed about the project's objectives, progress, and potential impacts.

3. **Quantitative Metrics for OCM Success:** Throughout the CIS implementation project, specific quantitative metrics and surveys are utilized to gauge staff comfort levels with the changes introduced. This encompasses pre-implementation and post-implementation surveys to assess staff sentiment and quantitative data on staff satisfaction or concerns. Additionally, quantitative methods are employed to measure stakeholder engagement levels, including tracking participation in training programs, feedback mechanisms, and specific Key Performance Indicators (KPIs) used to assess stakeholder involvement. Specific KPIs related to change adoption rates, process efficiency improvements, and other relevant metrics tied to the OCM strategies are also utilized to track the impact of the OCM initiatives.

In conclusion, this whitepaper underscores the pivotal role of Organizational Change Management in successfully implementing CIS projects. OCM transforms challenges into opportunities, navigating the complexities with precision. It aligns the human and technical dimensions of change, ensuring a seamless transition and long-term success.

As you embark on your CIS journey, remember that OCM is not an addendum but an essential driver of success. Embrace its principles, integrate it into your project, and witness the transformation of challenges into triumphs.

Together, we can pave the path to CIS implementation success.

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Change Management: Key Takeaways

As we conclude our exploration of Organizational Change Management Best Practices in Customer Information System (CIS) Implementations, it is crucial to reflect on the key insights and lessons that have emerged from this journey. This section summarizes the whitepaper's most significant findings and offers actionable takeaways for executives and decision-makers involved in CIS implementations.

Let's recap our journey and distill the essential lessons:

01 **OCM's Significance:** OCM is not a mere addition to CIS projects but an integral part of the solution. Its role in managing the human side of change is pivotal for project success.

02 **The uniqueness of CIS:** CIS implementations are uniquely complex due to their far-reaching impact on internal operations and external customer interactions. Understanding this complexity is the first step toward addressing it effectively.

03 **Challenges and Solutions:** We delved into the significant challenges of training and skill development and cultural and organizational resistance. OCM offers tailored solutions to navigate these hurdles.

04 **Success Factors:** The seamless integration of OCM and project management activities is a critical success factor. It aligns goals, fosters clear communication, and ensures role clarity.

05 **Tailored Engagement:** Tailored stakeholder engagement and communication are paramount. Engaging different audiences with personalized strategies ensures their commitment to the project.

06 **Change Agent Network:** Establishing a resilient Change Agent Network is indispensable. These internal advocates are vital in driving change from within the organization.

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About Kaihen

Kaihen is a Canadian company providing *energy and utility consulting services for electric, water & gas utilities, home services companies, energy retailers, and municipalities.*

Our core competency is *business readiness* – ensuring that our client's people, processes, and systems are well-prepared to adopt the change we help to implement. We aim to be trusted advisors to Canadian utilities on their critical strategic decisions and initiatives.

Our service offerings revolve around three key business functions of our client's businesses: Customer Experience, Asset Management, and Outage Management. When you choose Kaihen, you benefit from our years of industry experience and commitment. Our team is comprised of the brightest minds in the Energy consulting industry. Trust our team to deliver better solutions and to get your organization's business ready for the changes you hope to implement.

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