

E-PROCUREMENT CHANGE MANAGEMENT

PART TWO

LAUNCH



THE SHELBY GROUP

The second in a three-part series on e-procurement change management, this eBook provides a framework for ensuring a successful go-live **LAUNCH** of your e-procurement platform.

The first edition in this series presents six essential steps for building your e-procurement change management **STRATEGY**.

The final edition offers insights into managing change during the subsequent phases for **EXPANSION** of your platform.



Introduction: Change management is vital for winning the hearts and minds of stakeholders for your go-live launch.

There are fundamental differences between simply implementing an e-procurement platform and influencing the perceptions and behavior changes required to successfully digitize your organization's procurement policies and processes.

In the first edition of this series, Change Management STRATEGY, we presented a six-step framework for building the overarching strategy that your organization can use to facilitate adoption and achieve predefined business goals over the course of a multi-phase rollout of your e-procurement platform.

In this publication, we focus on the unique change management requirements for the initial launch and ongoing support of your platform. While we touch on some of the technical and operational requirements associated with the launch, our main focus here is on what needs to be done to win the "hearts and minds" of the stakeholders you have chosen to participate in the initial platform rollout.

What Doesn't Work: Two things that will inhibit the success of your pilot launch are going too expansive in terms of stakeholder participation and failing to get the support of executive leadership and employee change agents.

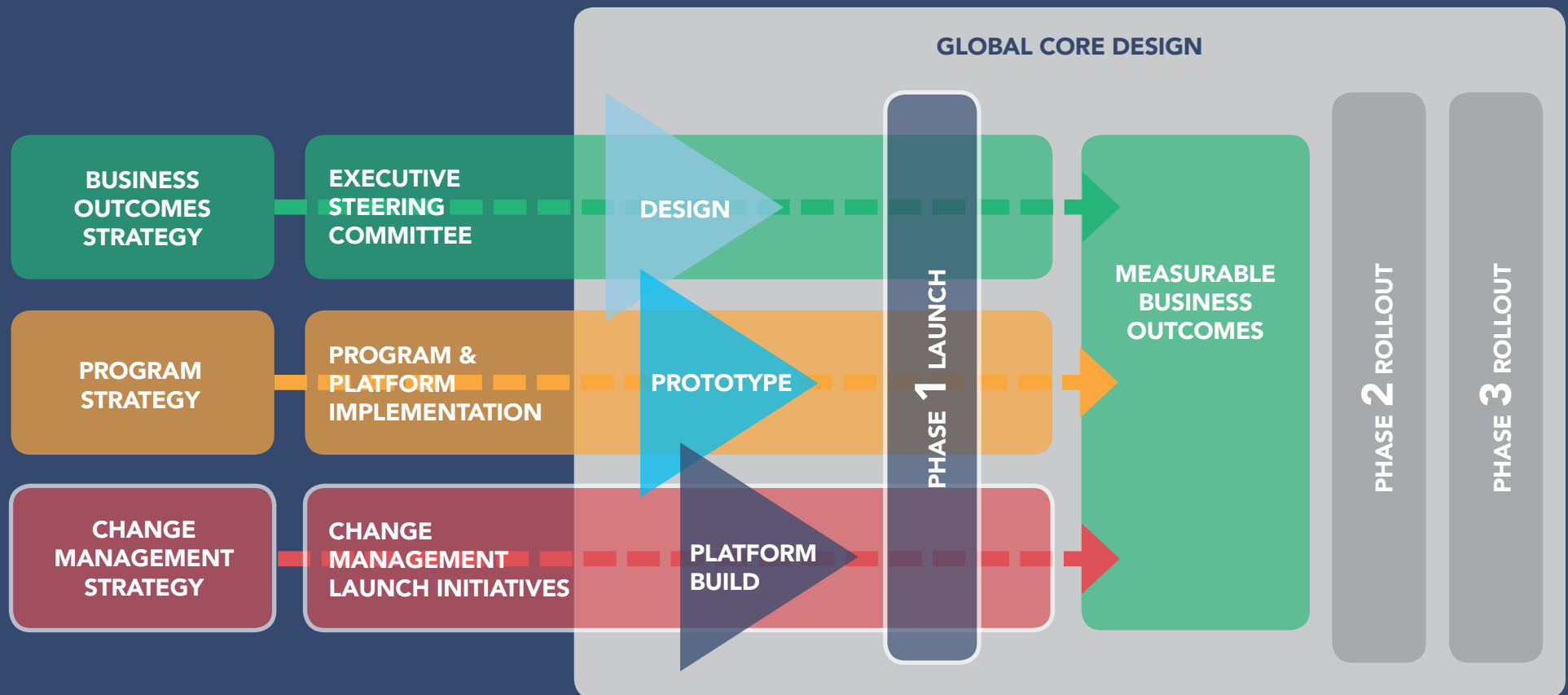
What Works: Think of your pilot launch as a test for working out any unanticipated issues that may arise from performing daily operational tasks on the platform. Try to limit the stakeholders in your pilot launch to those who are predisposed to platform adoption. This includes departments and functions that will see immediate and direct benefits from the automation of policies, business processes and approval workflows.



Effective change management support for your platform launch overcomes entrenched resistance, builds trust and provides the success stories that will help improve adoption in subsequent phases of platform expansion.

Overview: This eBook explores change management requisites for the first go-live pilot launch of your phased e-procurement platform.

The illustration below shows high-level steps in the Global Core Design and Phase 1 Launch of your e-procurement platform implementation. The red section shows how change management strategy, covered in the first edition of this series and your change management initiatives during Phase 1 Launch work in conjunction with your Program and Platform Implementation and Executive Steering Committee initiatives to achieve measurable business outcomes.



STRATEGY CHECKLIST:

Do you have an approved change management strategy?



Think of your e-procurement platform implementation as a journey that will unfold as a series of phases or steps in an itinerary. Your change management strategy is the master plan for getting from the current “as is” state to the ultimate “end state.” The Phase 1 launch is your first step in that journey that will be taken with a limited number of passengers. During each successive rollout phase, you’ll bring on more passengers.

Beginning your Phase 1 launch phase without an approved change management strategy or “master plan” for the entire journey is equivalent to traveling without a roadmap. The following are key components of the change management strategy that should be completed and approved prior to building the change management plans for your initial go-live launch.

CHANGE MANAGEMENT STRATEGY CHECKLIST

Vision Statement: Create a strategic vision for digitizing procurement.

Stakeholder Interests: Identify key stakeholder interests and objections.

Design Workshops: Plan design workshops to bring “What’s in it for me?” (WIIFM) concepts to life.

Project Timeline: Schedule design, integration and launch phases for early wins.

Communications: Build your promise of value and communications plan.

Change Agents: Train, motivate and enable a network of change agents.

For insights on building your change management strategy, download the first eBook in this series: [E-Procurement Change Management Strategy](#).



Making sure that you have a comprehensive and approved change management strategy is the first step in ensuring the success of your platform launch.

FROM STRATEGY TO EXECUTION:

Activating your strategy with an applied change management program



Much of what has been written about change management is from two perspectives. There are various philosophical models, which can be used for building your change management strategy and there are also change management methodologies that are designed to support a wide variety of enterprise change initiatives. While the concepts represented in both are important, procurement and finance professionals require more concrete guidance for helping to ensure the success of their procurement transformation initiatives.

An Applied Approach to e-Procurement Change Management

During the course of the global core design phases, you will have developed and started to execute key change management activities. You have identified key change agents and have started to mobilize them. Your change agents will have had exposure to major design touchpoints such as design reviews and decision-making, Conference Room Pilots and demos for key stakeholders.

Launch is executing Phase 1 of your implementation. Phase 1 is an exercise in applied change management. For global rollouts, the localization work effort is taking global core design concepts to local constituencies and identifying any key regulatory or legal modifications that need to be made while retaining your global design. If your implementation is not global, then Phase 1 is likely to be rolling out to a smaller subset of users (either functionally or geographically based).

During the launch phase, change management activities will increase exponentially in nature and scope. Training groups of users, go-live communications and taking the platform “on the road” will drive home the WIIFM messaging.



In parallel with completion of the global design phase, begin executing on the operational requirements for your go-live pilot.

Activating your network of change agents to ensure support for the launch



Digital transformation is a top priority for CEOs and CIOs across all industry sectors. However, there will be inherent levels of resistance to change in any organization. While the stakeholders in your pilot launch should be those who are most likely to embrace and benefit from change, it is important to activate a network of change agents to help support a successful launch. The effort should be bi-directional — combining top-down support from senior leaders and project sponsors along with bottom-up support from employee change agents.

Business and User Benefits: One of the principal causes of resistance to change is failure to understand “What’s in it for me?” (WIIFM). In the global design phase, this question is addressed by identifying business goals with leaders of key stakeholder groups. For your pilot launch, these business goals must be translated into simple, easy-to-understand benefits and success metrics for users. Procurement’s goal may, for example, be to increase indirect spend under management. The associated WIIFM benefits may include easier ordering from any device, along with faster delivery times. Identify these benefits and success metrics well in advance of your go-live launch.

Engage Leadership: Educate senior leaders and department managers about the business and user-related benefits associated with the pilot launch and clearly define their role in supporting the launch through communications, support for training and celebration of post-implementation achievements.

Empower Employee Change Agents: Work with leaders from each of your stakeholder groups to recruit, train and motivate a network of volunteer change agents. These individuals can not only act as your front-line facilitators of change, but can also provide important feedback on problems, challenges and opportunities over the course of your platform deployment.



Plan for success
but be prepared
for the unexpected.
Getting support from
senior leadership and
department heads
is essential. And
employee change
agents can offer a first
line of support.

Creating a communication plan to set expectations and celebrate success



How many times have you received an email or meeting request that caused you to wonder, “Why did I receive this, what is expected from me and why should I care?” Failure to effectively define expectations and communicate “What’s in it for me?” (WIIFM) can derail a project quickly. In your change management strategy, you should have created a Promise of Value (PoV) for the e-procurement initiative, along with targeted PoVs for each of your stakeholder groups for the initial launch. This will serve as the foundation for planning your launch communications.

Targeted Messaging: Create targeted messaging plans for each stakeholder group. Be sure to include executives, business and process owners, sourcing and category managers and end-users. Your messaging should include essential information about who, what, why, when and how for each group. Be sure to reinforce targeted WIIFM themes in each step of the plan.

Communication Venues: While email will play an important role in your overall communications plan, it should not be the sole communications channel. Determine the most appropriate communication venues for reaching each of your stakeholder groups. Include briefing decks for group or department meetings, roadshows, interactive online sessions or webinars, stories in internal newsletters, banner announcements on your intranet site and printed, quick reference cards.

Communication Schedule: It is important to create a sense of urgency from the onset of your communications program to engage stakeholders before, during and after the go-live launch. Make sure to account for feedback mechanisms throughout the process to address challenges and opportunities. Create a communication schedule as part of your project plan that includes key dates, messages, task owners and follow-up actions. Much like impressions matter in advertising, they are equally important in a communications plan.



A comprehensive, compelling and multi-venue communications campaign is essential to the successful launch of your new platform.

TRAINING:

Making sure that system owners and users are prepared before day one



Training for internal stakeholders, users and suppliers drives platform adoption and helps to ensure adherence to procurement policies and procedures. Training also provides a valuable opportunity for advancing the role of procurement within your organization. This helps each new internal customer and supplier benefit from increased efficiency and effectiveness in the performance of daily job functions. In getting ready for your pilot launch, you will need to ensure that the following groups have been trained:

- **Technical Personnel**
- **System Stakeholders**
- **End Users**
- **Suppliers**

While today's e-procurement platforms are intuitive and easy to use, the importance of ongoing training for all users is often underestimated. Unlike legacy software systems, which remain relatively static, your e-procurement platform will continue to evolve in ways that will drive the need for ongoing training operations.

Ongoing Training Support: As you move from subsequent phases of program expansion toward a fully automated procure-to-pay (P2P) environment, training will play a critical enabling role. In addition, depending on your platform provider, you will need to accommodate several upgrades throughout the year that incorporate best practices and improvements from a broad base of enterprise customers. Training will be required to help users understand and take advantage of these improvements.

The availability of online, on-demand training content allows the support organization to refer users to these sites. On-demand, online training is also useful to support onboarding new employees to the system after go-live.



Your training for technical personnel, system administrators and end-users should be readily accessible, easy-to-consume and persistently promoted.

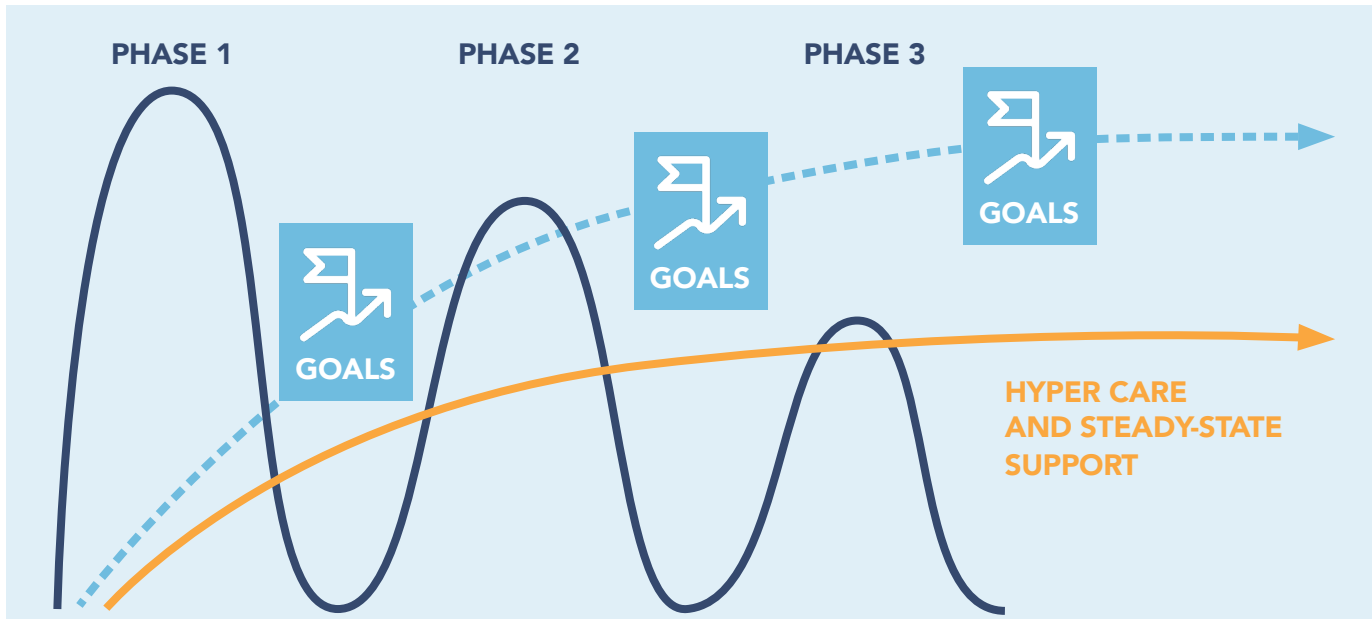
Moving beyond Phase 1 to subsequent phases of expansion



After you go-live, create a series of reports and communiques to highlight early successes. These may include the number of POs or electronic invoices processed, before and after comparisons of average order turnaround or other key success metrics. Be sure to acknowledge key contributors to the successful launch.

Setting goals for each phase of your deployment is vital for achieving the enterprise goals established at the onset of your initiative.

Insights and ideas for improving change management for subsequent phases of platform rollout is covered in part 3 of this series, Change Management Expansion.



Each phase of platform deployment should have predefined goals for business outcomes and improvements that collectively contribute to the enterprise goals defined in your change management strategy.

Accelerate procurement success with platform-enabled solutions from Shelby

Procurement departments everywhere face a common challenge. How can you increase transparency, control and compliance in order to deliver measurable business benefits to your organization? Today's cloud-based procurement platforms offer powerful and flexible tools to integrate best practices into daily operations. However, a low utilization of features and misalignment with business processes can negatively impact your success.

The Shelby Group is the global leader in platform-enabled procurement optimization. With hundreds of platform implementation and support engagements to our credit, Shelby can help accelerate your success through each step of your journey with Platform Implementation, Program Optimization and Procurement Operations solutions.



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