



**scottmadden**  
MANAGEMENT CONSULTANTS

**Smart. Focused. Done Right.®**



# Essentials for Change Management Success

HR Shared Services Transformation Summit



November 2020



# YOUR DISCUSSION LEADS



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# Agenda

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SCOTTMADDEN



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CHANGE MANAGEMENT  
IN PRACTICE





# Introduction to ScottMadden



## Who We Are

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**ScottMadden** is a management consulting firm with more than **35 years** of deep, hands-on experience.

We deliver a broad array of **corporate and shared services consulting services**—from strategic planning through implementation—across many industries, business units, and functions.

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WE DO

**WHAT IT TAKES  
TO GET IT DONE  
RIGHT**

## CORPORATE & SHARED SERVICES

### EXPERIENCE

Our experienced team has been a pioneer in corporate and shared services since the practice began decades ago. We employ deep, cross-functional expertise to produce practical, measurable solutions.

### SCOPE











We have completed more than 1,900 projects since the early 90s, including hundreds of large, multi-year implementations. Our clients range across a variety of industries from energy to healthcare to higher education to retail. Our areas of expertise span the spectrum of middle and back-office corporate and shared services.

### SERVICES

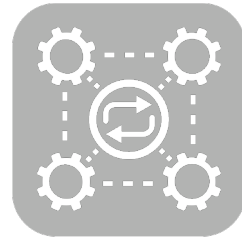
We have helped our clients with business case development, shared services design, shared services build support, implementation, and improvement.

**Our corporate and shared services knowledge, expertise, and experience are unmatched—no other firm has helped more clients with more unique solutions.**

# Representative Clients

Retail and Consumer Products	Manufacturing	Technology and Communications	Higher Ed., Public Sector, and Defense	Energy and Utilities	Healthcare and Pharmaceuticals	Professional Services
						
						
						
						
						
						
						

Note: Representative sample; not all-inclusive of clients served. Excludes numerous well-known clients due to confidentiality agreements.



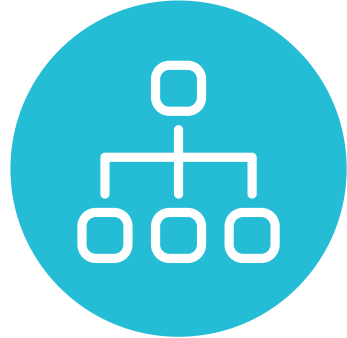
# Shared Services Overview



## What Is Shared Services?

*Shared services* is when a *business*  
CONSOLIDATES ITS SUPPORT FUNCTIONS TO BETTER SERVE  
THE CORPORATION AND ITS BUSINESS  
UNITS, OPERATING AS A **BUSINESS**  
WITHIN A BUSINESS,  
UTILIZING A WELL-DEFINED INFRASTRUCTURE TO ENABLE  
**HIGHER VALUE** *service delivery.*

# Who Should Consider Shared Services?



## WHO

Normally large, distributed organizations with multiple business units



## SIZE

Typical...  
**>\$2.5B in revenue**  
**>10K employees**

...But Works with Others  
**\$400M to \$270B in revenue**  
**1.2K to more than 600K employees**



## INDUSTRIES

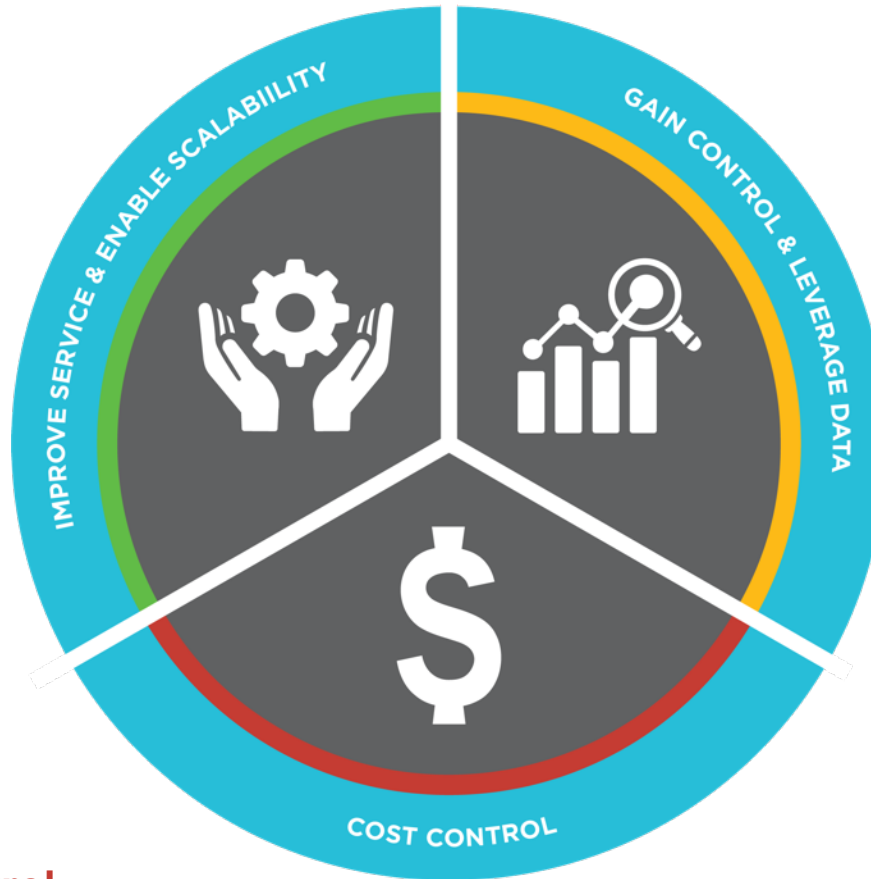
Shared services is industry agnostic and has been adopted across many industries

- Manufacturing
- Industrial products
- Consumer projects/ packaged goods
- Financial services/banking
- Technology
- Healthcare/pharmaceuticals
- Insurance
- Retail and wholesale
- Energy
- Higher education

# Benefits of a Shared Services Model

## Improve Service & Enable Scalability

- Standard processes
- Issue tracking and closure
- Performance metrics
- Common model for expansion



## Gain Control & Leverage Data

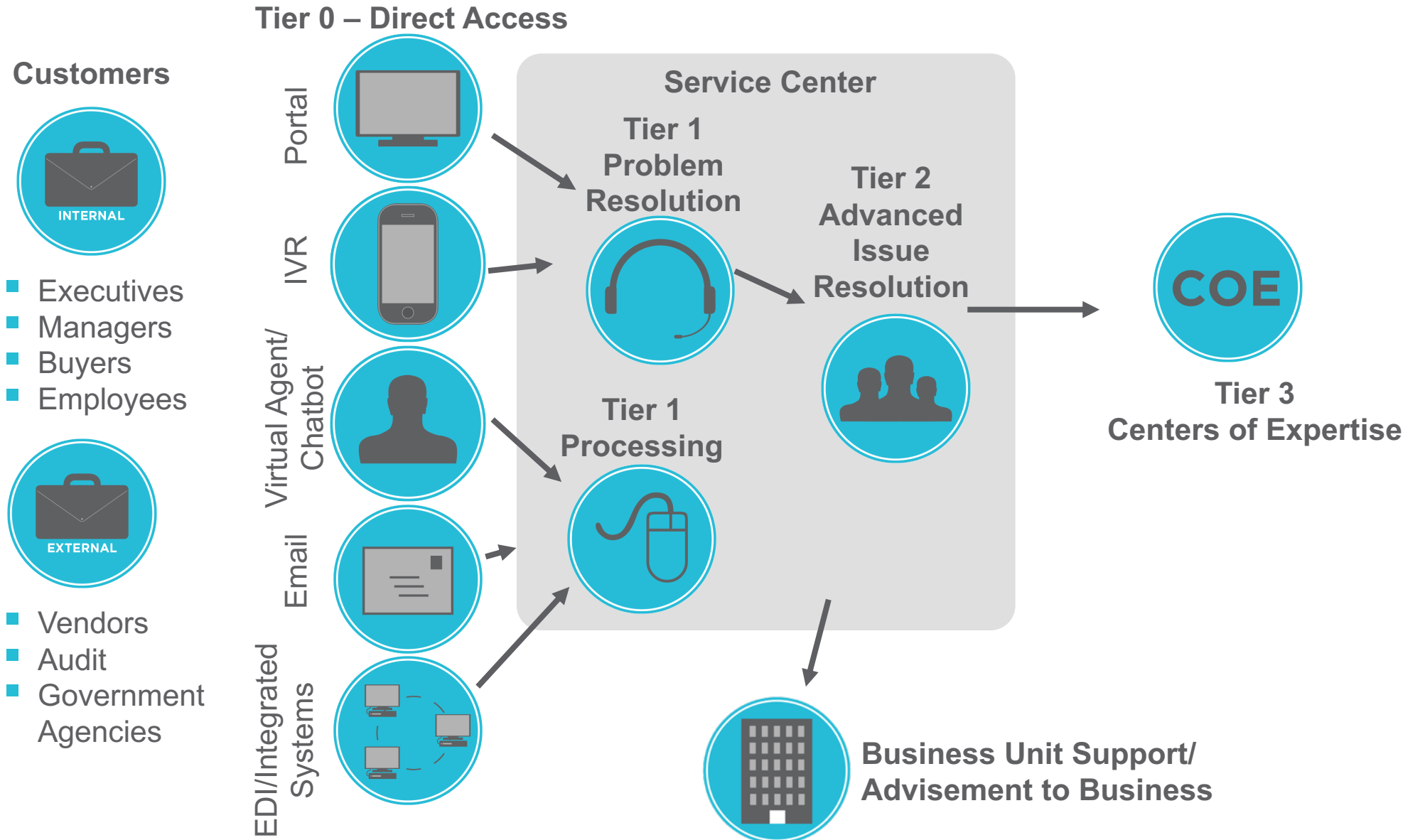
- Data centralization
- Improved reporting and analytics
- Improved compliance
- Better decision making
- Demand management focus

## Cost Control

- Skillset and work alignment
- Economies of scale
- Elimination of redundant labor
- Automation of process
- Service usage and cost tracking



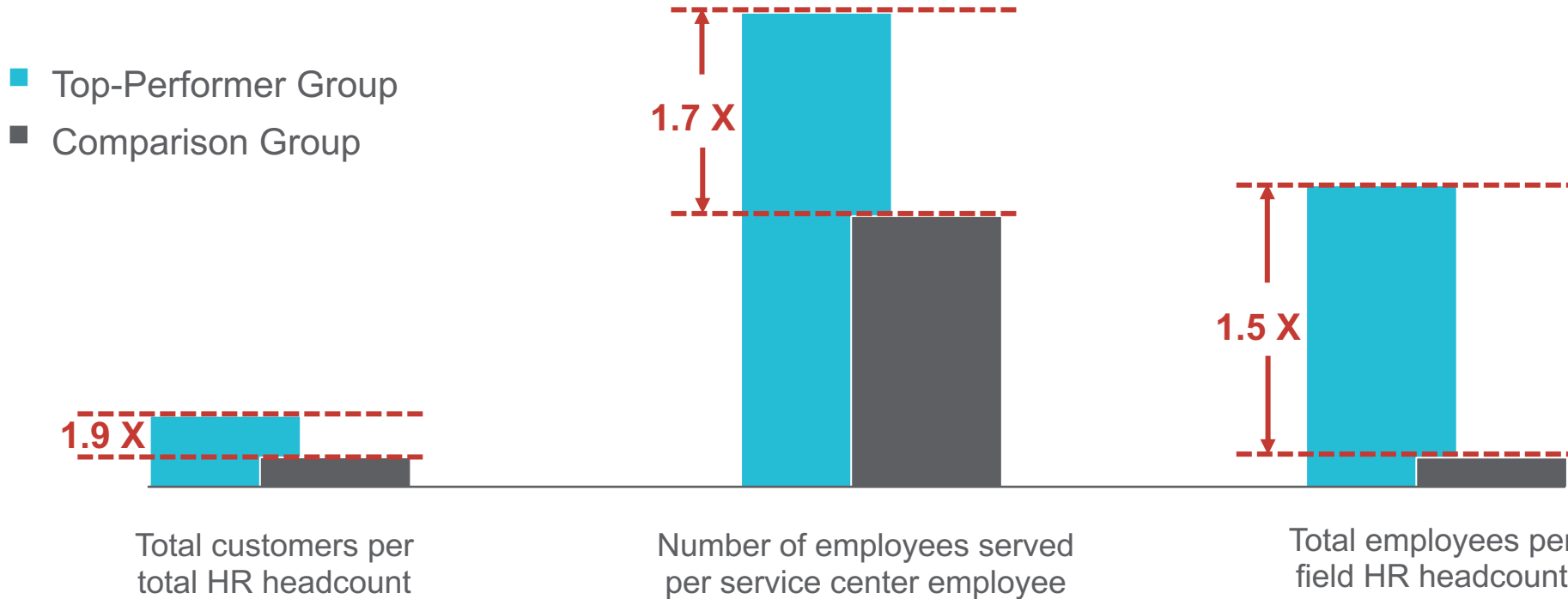
# Leading Practices Service Delivery Model



# Snapshot of Top-Performing HR Organizations

Top-performing HR shared services organizations have significantly better staffing ratios, including their employee service centers.

**HR Staffing Comparisons**  
Top-Performer Group vs. Comparison Group

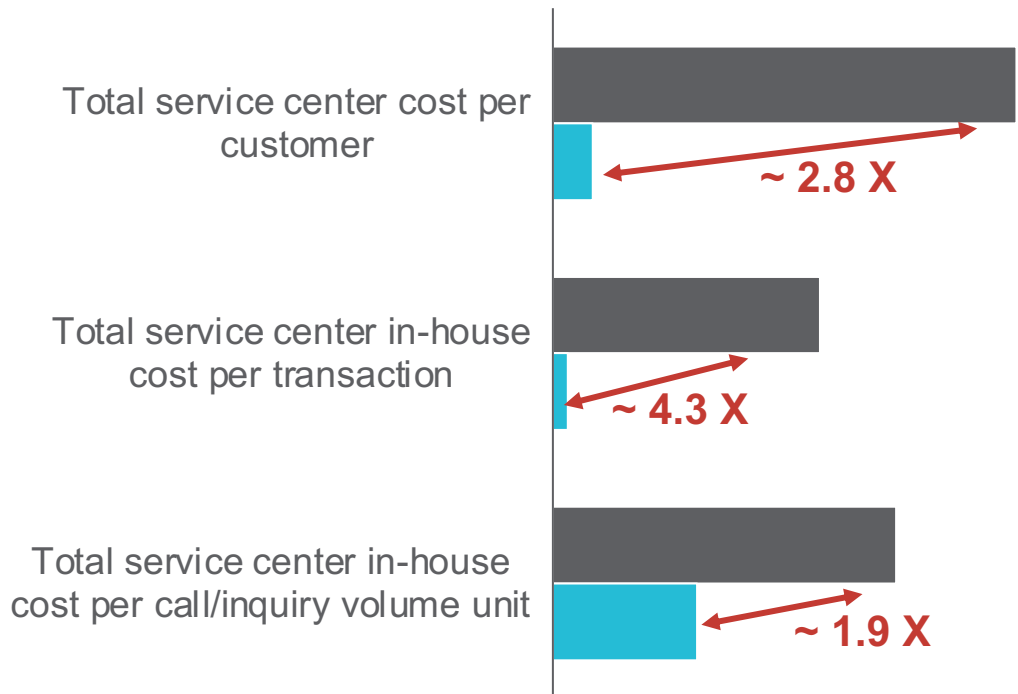


# Snapshot of Top-Performing HR Organizations (Cont'd)

Top-performing service centers operate at a large cost advantage and show better operational performance.

## Service Center Cost Comparison

**Top-Performer Group** vs. **Comparison Group**



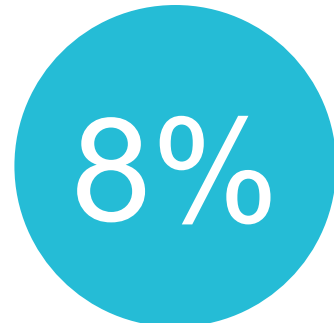
First-Contact Resolution



Average Speed To Answer



Service Center Employee Turnover



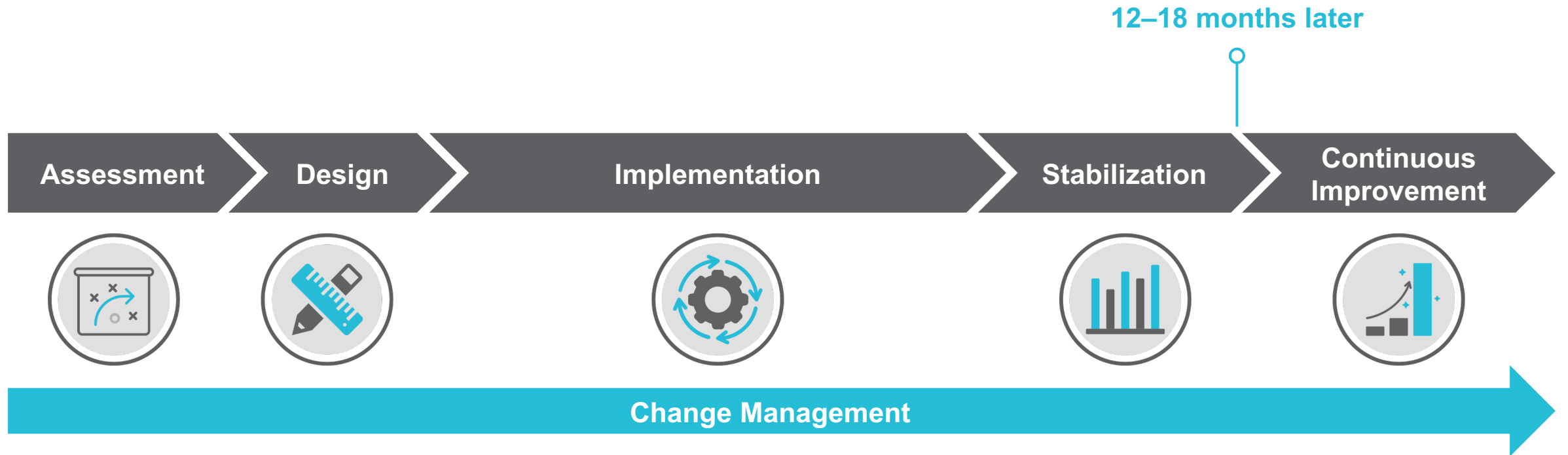


# The Transformation Journey



# How Can Your Organization Achieve Success?

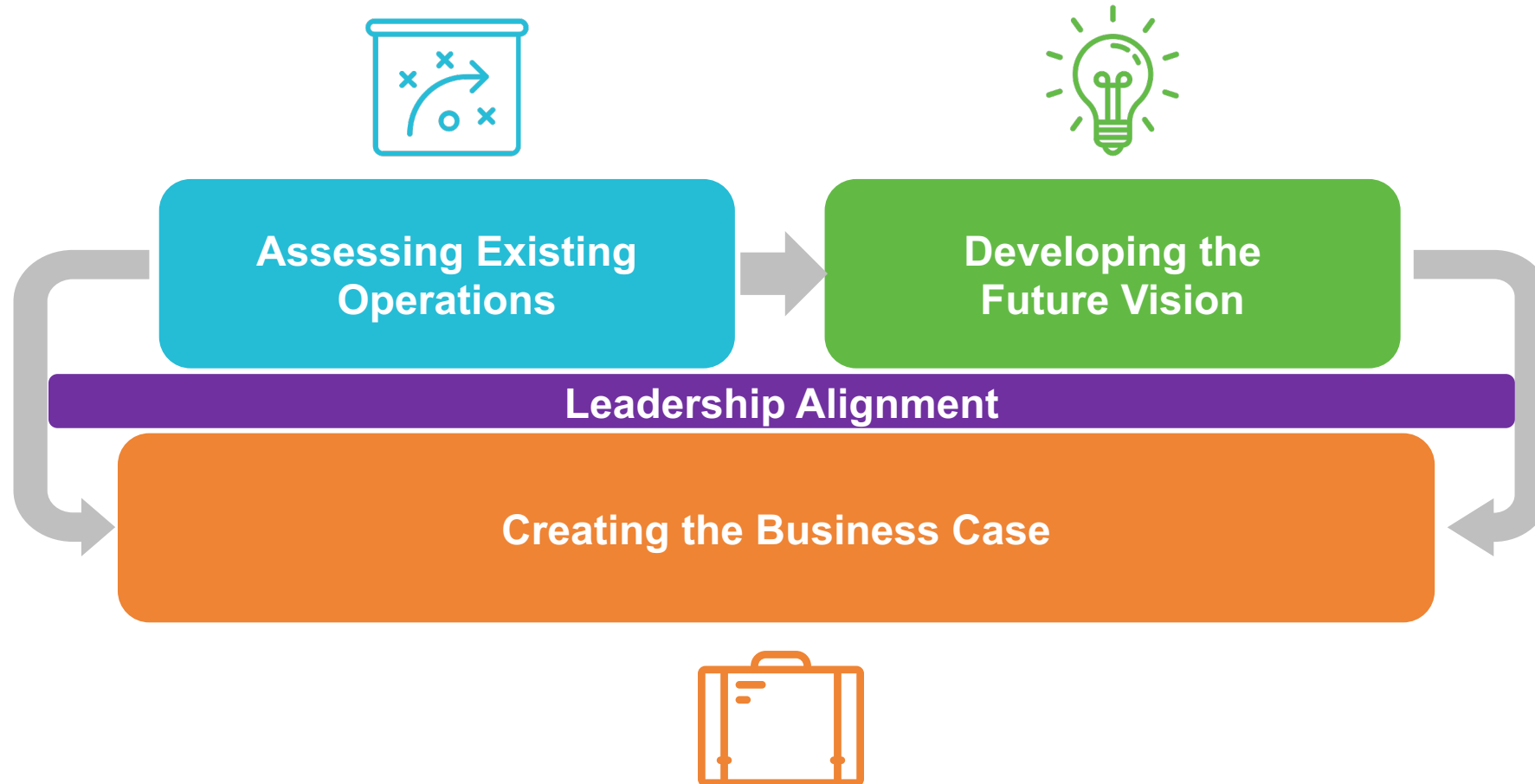
A successful shared services transformation goes through a variety of stages to effectively transition to a leading practice service delivery model. **Change management is a critical component to all stages.**



# Assessment and Design



To demonstrate your “**case for change,**” it is important to assess your current state, develop your optimal future state design, and align key stakeholders. The results of these steps are critical inputs to your business case—the platform from which change is driven.



# Assessing Existing Operations



HR Leadership

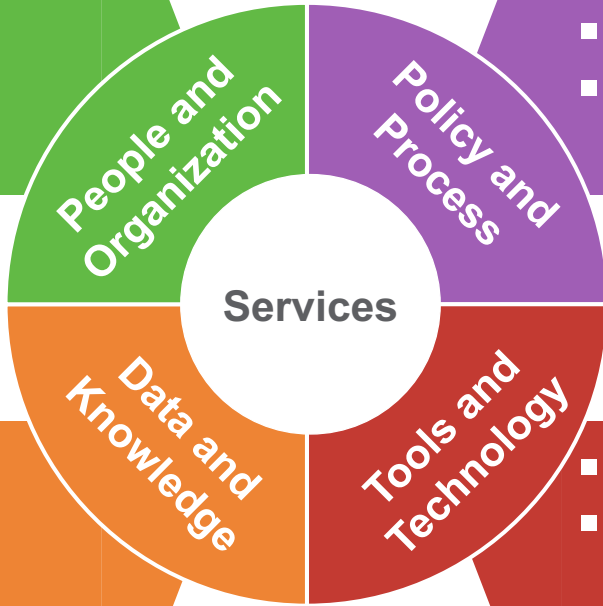
Shared Services Leadership

- Organizational Structure
- Work Activities
- Roles and Responsibilities
- Training and Development

- Policies
- Operational Processes
- Infrastructure
- Procedures
- Tools and Job Aids

- Metrics
- Reporting and Analytics
- Knowledge Content
- Operational Performance
- Data Management/Security

- ERP
- Intelligent Automation
- Vendor Technologies
- Applications
- Self-Service
- Workflow
- Analytics



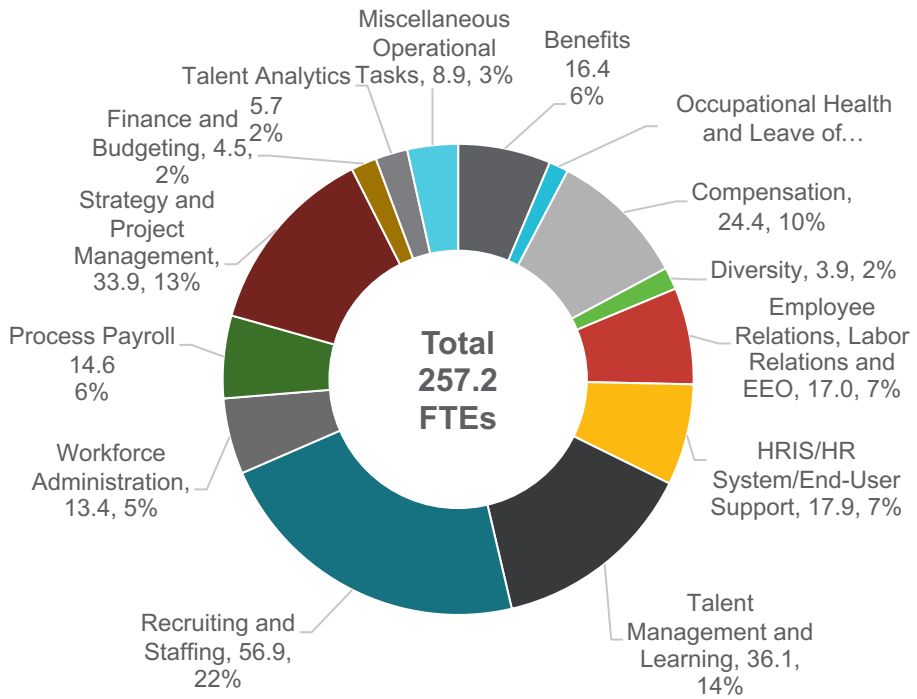
Customers

# Assessing Existing Operations (Cont'd)

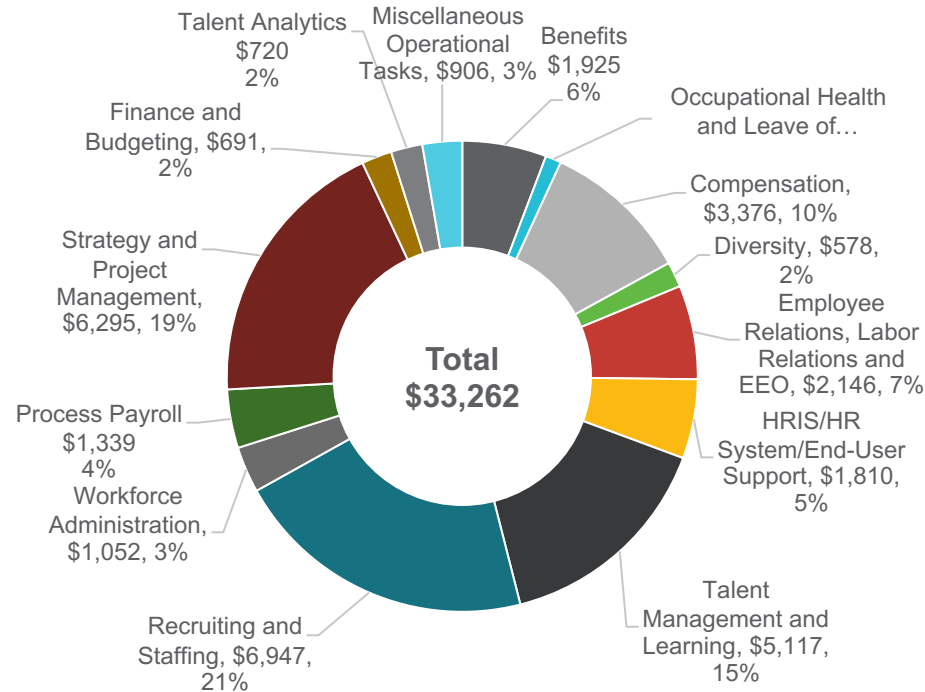


An important first step for understanding your organization is to gather data on how employees in your functions are spending their time and gain a clear picture of the labor costs of your services and activities.

**Total FTEs by Service**

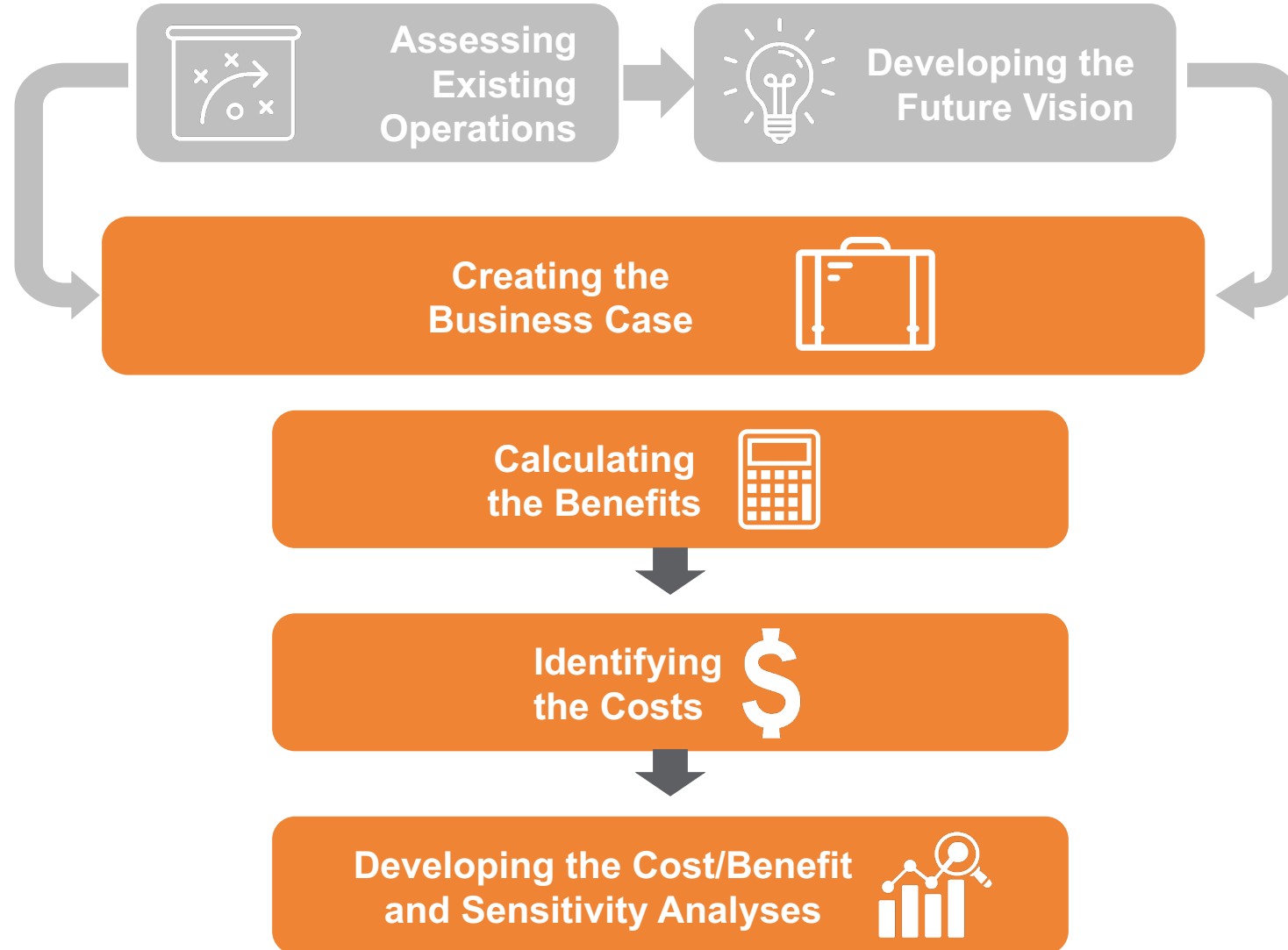


**Total Labor Cost (\$000) by Service**



**A Work Activity Assessment can be an effective tool to support this step**

# Creating the Case for Change



# Implementation Approach



After completing the business case and roadmap, the service delivery model is implemented. Our recommended approach consists of major work streams and corresponding key activities. **Change management requires a dedicated focus** and includes communications and training efforts.

## Typical Implementation Work Streams

Policy  
Standardization  
and Process  
Redesign

Organization  
and Staffing

Communication,  
Change  
Management,  
and Training

Technology

Facilities

Service  
Management  
and Metrics

Program/Project Management

Work streams are distinct but closely integrated. Implementation activities become iterative as work streams progress.

# Example Timeline

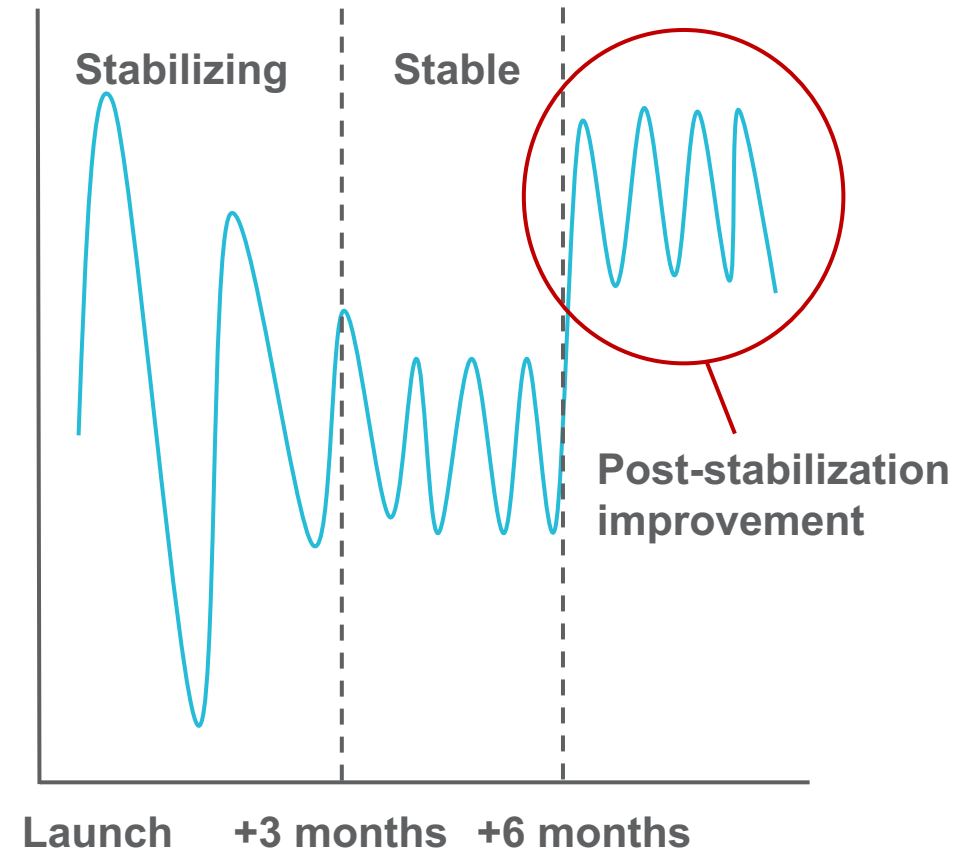


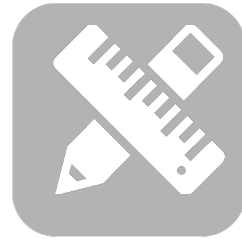
# Stabilization and Continuous Improvement



Once the new shared services model is launched, it can take three to six months to stabilize day-to-day operations. Ongoing continuous improvement should be an area of focus.

- Set **expectations** with internal customers
- Establish stabilization **objectives and metrics**
- Schedule **recurring** stabilization **sessions** with internal team members
- Consider a **“tiger” team** to address stabilization challenges, while dedicated resources focus on delivering day-to-day work
- Meet with internal customers frequently to update on performance and stabilization progress
- **Apply learnings** from change, communications, and training data; **reinforce messages and training** as needed
- Officially end stabilization activities at the appropriate time and transition to **continuous improvement mindset**





# Change Management Essentials



# Forming the Team to Support Change



*Dedicated lead and team to support change efforts*

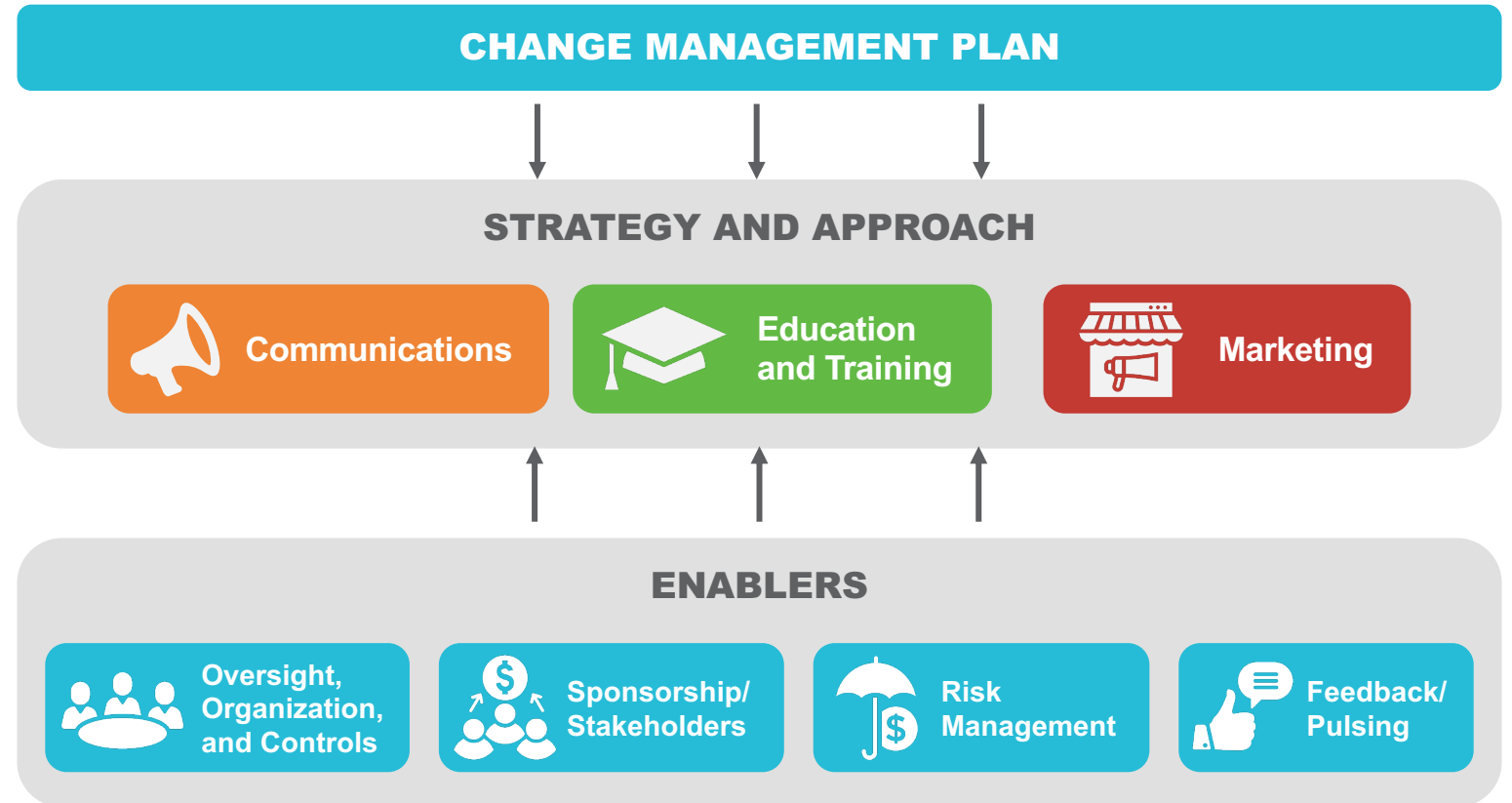
Stakeholders and experts play an important role in overall model buy-in and adoption



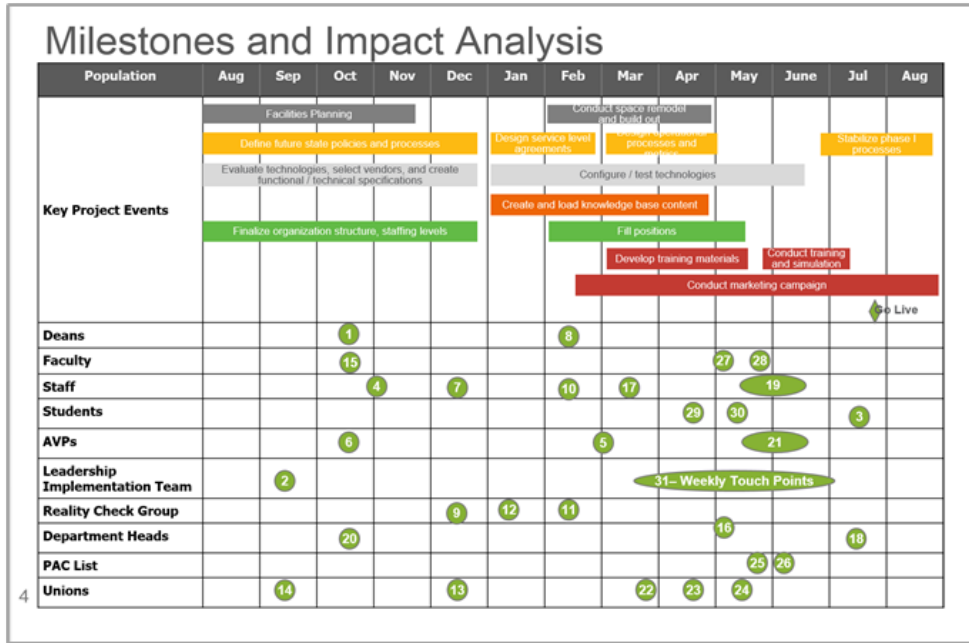
# Change Management Framework

Successful change management solutions are based on well-planned and integrated activities.

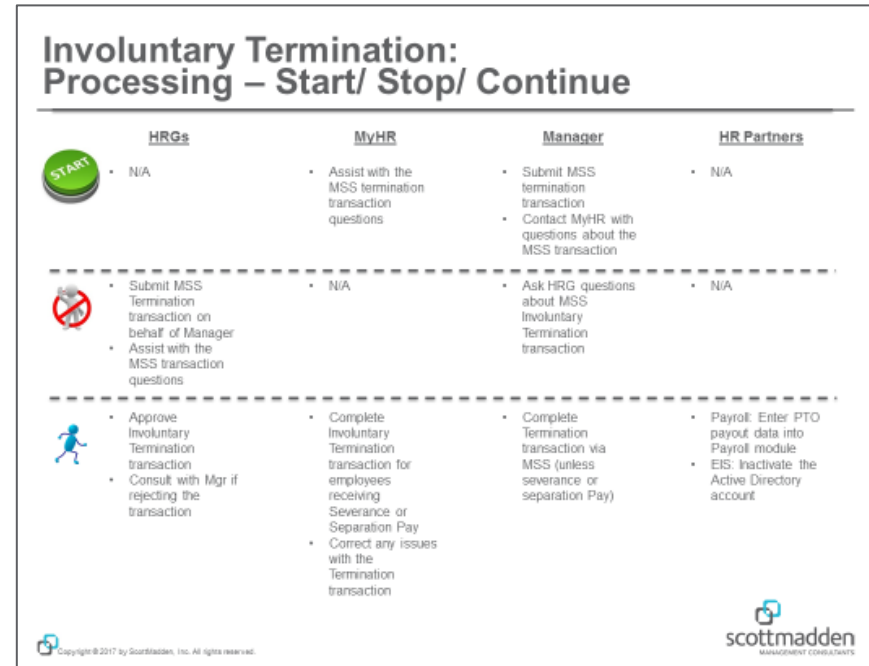
- Assess impact of overall change on stakeholder groups
- Build awareness
- Build, execute, and monitor communication plan
- Create and launch marketing campaign
- Assess training and education needs
- Build plan
- Conduct training and education



# Change Management Planning and Execution



Keep the list of change activities aligned and on track.  
Organize activities by project milestones.



Provide clarity on changing roles and responsibilities using a stop/start/continue matrix.

Thoughtful, deliberate, and long-range communication planning is critical to project success.

# Training Development and Delivery

Training, while critical, is often compromised to allow more time and/or resources for other tasks. Training is a key success factor and should never be underestimated or sacrificed.

- Assess individual training needs by curriculum
- Develop a detailed training plan and schedule by module
- Deliver training and monitor progress
- Address gaps, as needed

## Example Training Modules

Staff	General				Operations							Content				Technology						
	Company	Values and Culture	Service Delivery Model	Customer Service	Answering Calls	Retrieving Data	Entering a Case	Escalating an Issue	Transferring a Call	Closing a Case	Scheduling	Functions	Programs	Policies	Processes	KB Content	Telephony	CMS	KB	HRIS/Financial System	Document Management	Equipment



# Change Management in Practice



# Where Change Management Misses the Mark

The standard change management approach begins with a change assessment, followed by the development of stakeholder maps, communication plans, and the copywrite of content to help create awareness and communicate change for stakeholders, but it often misses the mark.

## Change Activities

### Change Readiness Assessment



## Standard Approach

- An initial assessment to identify how the changes will impact the organization, function, and key stakeholders
- An exercise to identify all groups and individuals who have an interest in the outcome of the project
- A detailed plan documenting major project milestones, needed communications, target audiences, review timelines, and communication delivery methods
- The creation, approval, and distribution of content aimed at stakeholders to help communicate the change, create awareness, and influence adoption

## Typical Oversights

*Fails to consider the holistic change and desired future state... activity looks at the individual changes as independent activities*

### Stakeholder Mapping



*Fails to continually include stakeholders in the discussion of how they are impacted and how their needs are changing...activity is developed and monitored from a centralized project team and doesn't utilize up-to-date information*

### Change & Communications Plan



*Fails to consider all accessible mediums to distribute communications...activity is usually a formality, not strategic, and results in change in the work stream being a catch-all for project fire drills*

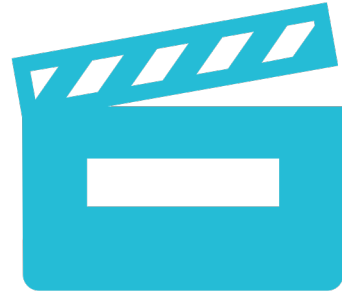
### Copywrite Development & Distribution



*Fails to incorporate automatic feedback measures of impact from content...development takes long, is over reviewed, and as a result is outdated at the time of distribution*

## Quantity Verses Quality

### Communication Content



**QUANTITY**  
— OVER —  
**QUALITY**

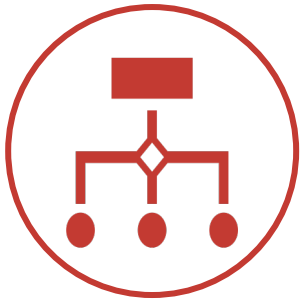
### Training Content



**QUALITY**  
— OVER —  
**QUANTITY**

## A Consumer-Focused Approach to Change Management

Adopting an approach rooted in campaign management, with bought-in leaders at the top leveraging tools that capture and analyze real-time data, can enable a modern and agile approach to change management for the “employee experience” focused organization.



**Structure, Roles,  
& Skills**



**Leadership  
Alignment**



**Campaign  
Strategy**



**Data  
& Analytics**

The best consumer-facing approaches are continuously capturing data, analyzing trends, and applying the learnings to drive targeted, tailored, on-demand, and easily consumable content for audiences.

# Change Management Activities Accelerating Adoption

As the trend in “consumerization” of the workplace grows, using consumer-like technology, while collecting and analyzing data throughout the “transformation journey,” can help an organization catalyze change.



## Structure, Roles, & Skills



Change Management Assessment & Inventory



Job Design, Scope, & Governance



Training Needs Assessment & Design



## Leadership Alignment



Stakeholder Assessment & Management Strategy



Leadership Vision & Alignment



Leadership Action Planning Workshop



Change Barrier Removal Analysis & Strategy



Catalyst Network Management



## Campaign Strategy



Communication Assessment & Opportunities



Communication Governance Model



Campaign Strategy Development & Management



Content Development & Governance



Training & Awareness Delivery



Continuous Campaign Management



## Data & Analytics



Data Capture Tools & Opportunities



Overall Change Metrics & Reporting



Stakeholder Management Analysis & Monitoring



Communications Analysis & Monitoring



Training Effectiveness Analysis & Monitoring



Continuous Data & Analytics

# Change Management Activity: Leadership Vision and Alignment

An aligned leadership vision is a practice that successful companies have in common. Telling the story of the experience users will have, and capturing it in an aligned vision upfront, supports success.

## How It Works

- A structured workshop(s) with leadership to collectively define the vision and align on “why” it matters to stakeholders
- The goal is to work as a group to generate as many ideas and storylines as possible and align on top themes
- Results in the creation of leadership-approved messaging for many types of communications content
- Approved communications content is then easily replicated and distributed across various channels

**Structured Workshop(s)**

**Leadership Vision and Alignment Workshop**  
**What Attributes Matter to Hiring Managers?**  
 Instructions:  
 1. Using your sticky notes, list out what attributes matter to Hiring Managers  
 2. List as many attributes/emotions as you can  
 Example:  
 Fast, engaging, fun, mobile, seamless, AI

**Leadership Vision and Alignment Workshop**  
**Organize Attributes**  
 Instructions:  
 1. Take your sticky notes with the  
 2. Together rearrange and organize  
 3. Label the 4 – 5 groups

**Leadership Vision and Alignment Workshop**  
**Vote on Top Attributes**  
 Instructions:  
 1. Take your three stickers and vote on your top attributes  
 2. Can use your three votes any why you prefer  
 3. Single out the top 5-7 attributes that received the most votes

**Communications Strategy**  
**Key Benefits – All Audiences**  
 The following key benefits highlight three of the primary ways in which the employee experience will be enhanced.

Headlines:	Direct Access	Easy-to-Use Systems
<b>Talking Point</b>	Systems support and access is available when you need it, from wherever you are.	Workday and ServiceNow are intuitive systems that do not require extensive training to use and understand.
<b>Key Messages</b>	<ul style="list-style-type: none"> <li>Mobile first—apps make access easy from anywhere</li> <li>All-inclusive knowledge base for all relevant and up-to-date HR information</li> </ul>	<ul style="list-style-type: none"> <li>Simple, fast, and intuitive system</li> <li>Just-in-time materials and help available when you need it</li> <li>Direct access combined with simple systems supports faster decision making</li> <li>As easy to use as your favorite apps and websites</li> </ul>

**Communications Strategy**  
**Key Messaging – All Audiences**  
 The following key messages summarize the objectives and rationale behind the HCM / SDM initiatives.

Headlines:	One KDP	Enhanced Employee Experience	Enhanced HR Partnership
<b>Talking Point</b>	One KDP clearly defined process will be used for all key HR activities – for employees, managers, and the HR team.	Employees will be able to get quick answers to HR questions through MyHR.	Deep HR expertise provides valuable support to managers and employees.
<b>Key Messages</b>	<ul style="list-style-type: none"> <li>Single way to complete all HR processes</li> <li>Single system for people data</li> <li>One HR service center providing support</li> <li>One location for all HR information and forms</li> <li>Streamlined and automated processes</li> </ul>	<ul style="list-style-type: none"> <li>Fast, easy support via email, phone call or online portal</li> <li>System and HR support is across key business hours, from 8am-8pm ET</li> <li>Any need an employee or manager has of the MyHR team will be tracked in the MyHR portal, and the submitter of the request can view real-time status</li> <li>Quick resolution for needs, allowing employees and managers to perform the work that matters</li> <li>Simple ways to manage our people</li> </ul>	<ul style="list-style-type: none"> <li>New roles and responsibilities</li> <li>HR Business Partners will support business decisions with key insights</li> <li>The MyHR team will serve as systems support experts and the first touchpoint for HR questions</li> <li>COEs will continue to be functional experts</li> <li>Supporting best-in-class HR processes across the company</li> </ul>

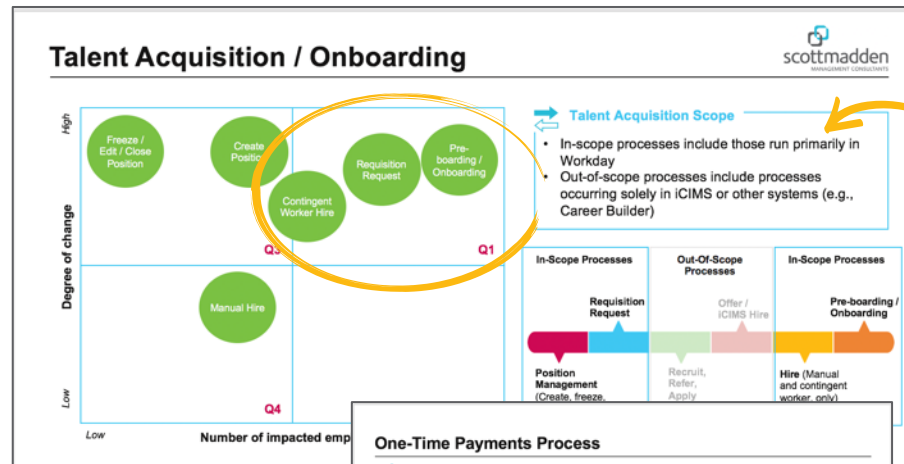
**Approved Messaging**

# Change Management Activity: Training and Awareness Delivery

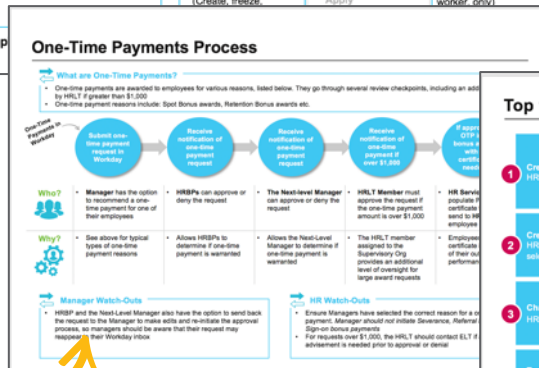
Adult learners have limited time and an even shorter attention span. Trainings should be short, to the point, and focus on the changes that matter most to each audience.

## How It Works

- Keep training sessions to 90 minutes or less
- Offer a variety of days and times for training so participants have flexibility on when to attend
- Record the training and offer it to participants afterwards as a reference tool
- Offer trainings in-person *and* virtually
- Consider the various shifts employees or vendors work and be available to teach them about the change



During the **Training Needs Assessment & Design** phase, map out which changes will be the most drastic and affect the most people.



### Top 10 Workday Responsibilities for HRBPs

- Create Position**  
HRBPs are Approvers
- Create Job Requisitions**  
HRBPs are Approvers for select requisitions
- Change Job**  
HRBPs are Approvers
- Terminations**  
HRBPs are Approvers and can Initiate, if needed

- What is it?** The process to add a new position to a manager's Supervisory Organization (SupOrg) in order to hire, promote, or transfer a worker into that position. If outside of AOP, discussions with the management chain, local HR, and finance should take place before a manager Creates a Position in Workday.
- What HRBPs should look for:** Ensure that managers have selected the appropriate fields for their organization. Initiating the Assign Org Changes Business Process allows you to select union information or non-union information, GL code, and Mexico benefit code, if applicable.
- What is it?** Initiates the review and approval for requisitions for new and replacement roles. After a requisition has been approved in Workday, Talent Acquisition can begin the recruiting and staffing process in iCIMS. Requisitions for existing, non-manager, roles replacing existing positions do not require additional level of review and approval. These will flow to iCIMS via an integration where Recruiters will begin the remainder of the Talent Acquisition process.
- What HRBPs should look for:** Ensure that managers have selected the appropriate fields.
- What is it?** A job change is performed in Workday as a result of a transfer, a promotion, a lateral move, a demotion, or a data change (such as change in location). When an employee changes jobs due to applying for and being offered a new job in iCIMS, this process occurs automatically. For any job changes outside of iCIMS, an employee's manager will initiate the change in Workday.
- What HRBPs should look for:** Ensure the data fields are correct and review that your manager has selected the appropriate fields for the new organization.
- What is it?** Workday is the system of record for both voluntary and involuntary terminations. Employees can initiate a voluntary separation after discussing it with their manager. Managers, HRBPs, or myHR (if needed) can initiate an involuntary separation in Workday. Terminations trigger system shutdowns.
- What HRBPs should look for:** Ensure the correct termination reason was selected by the manager, as termination reasons impact downstream systems. Eligibility for rehires should be reviewed to ensure appropriate selection by managers.

Reference materials

# Change Management in a Virtual World

The use of technology as a core part of change management has been evolving over the last several years. Even before the current pandemic, many of our clients (especially those that are geographically dispersed) were accustomed to virtual meetings and collaboration. The current pandemic has further highlighted the need for new and creative approaches to change management.

## Example: Working sessions to test and discuss future state recommendations

<b>Method</b>	MS Teams
<b>Number of Participants</b>	4 to 8
<b>Pre-work</b>	Fully "baked" recommendations sent as pre-read materials
<b>Duration</b>	60–90 minutes each and spaced out over three weeks (i.e., not back-to-back-to-back)
<b>Action Items and Take-Aways</b>	Summarized notes sent to participants at the end of each day



- Set ground rules upfront – encourage video and direct eye contact with camera
- Group size and level of participant matters (keep it small to increase engagement)
- Consider short ice breakers using the platform (chat, voting, etc.)
- Ensure the facilitator maintains high energy
- Leverage platform’s collaborative functionality (e.g., breakout rooms, whiteboards, polling, etc.)
- Don’t let just the loudest voices dominate – provide opportunities for all to contribute
- Develop and provide pre-reads to set expectations and encourage preparation
- Understand personalities in advance (e.g., “naysayers”)

# CONTACT US!



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