

# BUILDING AN EFFECTIVE

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# TABLE OF CONTENTS

Introduction	2
The Change Management Office	3
Considerations When Building A Change Management Office	4
Building A Change Management Office	5
Sample Change Management Office Structure	8
Roles And Responsibilities	9

### INTRODUCTION

In today's evolving economy, organizations are struggling to cope with the rapidly changing demands of the market place. New promising changes are designed by organizations to adapt, innovate, and embrace new ways of doing business.

Most large-scale transformation programs do not succeed, mainly because of inadequate governance and poor planning.

"Only 16% of large-scale transformational programs are successful"

"Poor organization and project management practices, and poorly defined or missing project objectives account for 56% of the rationale for the failures"

— Standish Group, International Survey (2,500 personnel attending training)

#### To ensure sustained success, organizations need a structured approach to change.

Organizations are trending towards building internal capabilities to support change not at an individual project, but rather at an enterprise level. By institutionalizing change management, organizations are strengthening their ability, and resiliency, to cope with inevitable organizational changes.

## THE CHANGE MANAGEMENT OFFICE (CMO)

The primary focus of a CMO is providing, and/or improving the change management capabilities within an organization. A CMO provides a focal point for the governing structure and implementation of change initiatives. It legitimizes change activities, ensures a consistent approach to change, communications, training, and talent management.

The specific role of a CMO can vary from organization to organization based on the complexity of the change. For some organizations, undergoing a significant change, the CMO is intimately involved in its delivery. For other organizations, where the change is not significant, the CMO only provides tools and training to managers to deliver the change management themselves.

Irrespective of the size and scope of the change, the CMO is focused on its successful implementation.

# CMO provides many benefits, some of which are listed below.

#### **▶** Builds internal capabilities

- o Serves as an internal consultancy service that builds internal capabilities a
- o Develops a robust change framework
- Facilitates continuous change management framework improvements, and its effective execution
- Manages quality
- Coaches managers and employees to become change resources

#### ► Focuses on proactively managing the people side of change

- o Increases efficiency in managing stakeholders across multiple/interdependent projects
- Ensures integrated communications to relevant stakeholders across all projects
- o Manages stakeholders, and their expectations
- o Reduces change related employee stress
- o Improves adoption rate

#### Manages risks and mitigations

- o Develops change landscape to reduce organizational change fatigue
- o Identifies gaps in the realization of strategic objectives
- o Identifies change risks, and develop mitigations
- Develops escalation protocols
- Escalates issues and risks that impede change progress

# CONSIDERATIONS WHEN BUILDING A CHANGE MANAGEMENT OFFICE (CMO)

Setting up a CMO can be daunting. Generally speaking, most organizations may have to build the CMO from the ground up. Do keep in mind, when setting up a CMO, there is no "one size fits all."

Each organization will have to ascertain which model is the best fit, based on the following considerations.

#### **▶** Level of change maturity

A CMO will leverage existing enterprise-wide change management framework, methodology, documentation, and performance metrics that are already defined, understood, and successfully in use. However, if an enterprise-wide change management framework does not yet exist, then the main function of the CMO will be to build this approach, educate users in its use, and guide its application on change initiatives.

### ► The complexity and scale of the change

If an organization plans to undertake transformational change it is unlikely to be able to achieve its goals without multiple change projects requiring, a higher degree of control, and full-time dedicated resources. On the other hand, small scale incremental change that takes place within individual departments and teams requires a lesser degree of control, and fewer dedicated resources.

#### ▶ Where should the CMO reside?

Establishing a change management office in the right place within an organization optimizes its effectiveness every day. Conversely, the wrong location can do as much harm as good — causing uncertainty, friction and mistrust, and compromising a change management office's potential before it starts.

The location of where the CMO varies within organizations. Here are some key considerations, to help in deciding where the CMO should reside within your organization.

- o Access to and visibility in all organizational change initiatives
- Business function (e.g. HR, or Corporate Strategy) that enjoys a high level of credibility across the organization
- Strong leadership support with enterprise-wide impact a visible, vocal leader who can not only "talk the talk, but "walk the talk"
- Historical and cultural implications how did the change efforts play out in the past, and what are its associated implications
- Ability to effectively liaise cross-functionally, and support other change efforts