



Change Management: keeping the train on the tracks



In the world of business process management, your work is never done. Some days, you feel like the guy who used to shovel coal to keep the train moving. Simultaneously, you're trying to keep an eye on the tracks ahead to avoid any chance of making hamburger out of an errant cow. It's a fine step forward once your company has implemented an ERP system – but it still needs fuel to be kept alive and healthy, and most importantly, a keen focus is necessary to make sure it is aligned to your business needs. Your ERP system should get better with age, just like your favorite smelly cheese. Its evolution should take your organization farther down the tracks towards process excellence. So why is it that the word “Upgrade” makes you want to call in the Union and rally for a strike?

Functional and technical upgrades of your ERP system are important steps to keeping your system healthy and your business processes relevant. Functional upgrades allow you to take advantage of the latest offered ERP functionality to drive strategic business improvements. Technical upgrades allow keeping your IT investment compliant and up to date while theoretically minimizing impact to the business operations. But any “Upgrade” means “Change”, “Change” means “Risk”, and risk is scary. The biggest risk of systems change is disruption to the business. If your ERP and supporting IT systems aren't clearly aligned to end-to-end business processes and human resources, read on.

Derailments hurt - know what you're getting into!

When the IT group responsible for ERP changes has limited insight into the overall business processes, you are sure to have unexpected (at best) or negative (more likely) impact to the business during an upgrade. Risk of change is difficult to assess – if you are a risk taker, you might cross your fingers and hope for the best. If you tend to avoid risk, you find yourself with an overwhelming job of trying to assess and anticipate impact. Like most companies post-ERP implementation, you probably have little to no updated documentation of the system to help with this assessment. In the case of non-standard or customized ERP processes, the increase in difficulty is exponential. If unable to come to a good understanding of which processes and people are going to be affected by changes, your remaining options are to either hold off on the upgrade and hold your company back from strategic process improvements, or move forward with a risky and potentially very costly upgrade project.

Next step – non-disruptive upgrades!

Rather than limit your organization to two undesirable options, equip yourself with the ability to better identify the impact of change and limit disruptions to the business. The automated processes that IT implement and maintain must be tied to the business processes they support – manual steps and all – in order to draw a line illustrating impact. From one transaction that is going to change, you must be able to trace the path to the business process it affects, to the various global process variations, all the way to how business value chains are ultimately impacted. You should also be able to ensure compliance with business rules and corporate governance as well as other regulatory requirements.

Process owners and those performing the process need to be identified, notified, and possibly trained on changes; the mapping of Systems to Process to People has to be in place to ensure that no one is forgotten and that change rollouts occur smoothly. Ideally, the holistic model as described here is created and managed by business users in business terms so that impacts can be easily understood and buy-in is more

readily accomplished. Caution: make sure that you are not basing these models on outdated documentation from the last time someone played with the ERP implementation! The model needs to allow for synchronization with the IT definition of the ERP system so that only up-to-date representations are used for analysis. Recurrent synchronization has the added advantage that information necessary for analysis is available at a moment's notice and preparing for a change cycle is a less time-consuming and costly endeavor.

Just think of it! Armed with a holistic view including relationships between systems, processes and people, you can easily pinpoint how technical and functional changes to your ERP will affect business operations. Now you are ready to embrace that upgrade vs. flee from it. It's not so hard after all to get one step closer to process excellence.

Need a little help?

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