

## Assessing an organization's attitude and preparedness for 'IT' change A methodology for use by top management

The purpose behind this methodology is to better understand aspects of an organization's likely receptivity for change prior to embarking on an IT initiative. The information provided by the methodology can help guide management's actions prior to and during implementation.

The issues addressed are those which are often found to be roadblocks to the smooth implementation of an IT project. Information, gathered by means of a survey completed by all personnel potentially impacted by an IT initiative, provides management with added insight into the opinions and attitudes of those most affected by an IT initiative.

The methodology, based on researching highly-innovative corporations<sup>1</sup>, is a tool which can be useful to management in 'assessing<sup>2</sup> the organization's willingness and ability to change and assess potential impacts of the implementation leading to a plan to optimize change'.

Survey topics are based on having researched the management practices of highly-innovative companies in order to identify the significant reasons why these companies are able to adapt to change and sustain innovation over decades. Six topics, based on 25 Factors<sup>3</sup>, provide a framework for better understanding the probable climate for IT-driven change.

- **Tolerance**; a key characteristic of highly-innovative organizations implies that an organization demonstrates a willingness to entertain differences of opinion, learning experiences from failure and is open to new ideas. Measured by 6 Factors.
- **Communications/collaboration**; an organization which understands that c/c is important and has an effective and well-perceived approach to c/c is most likely to be amenable to change. Management is in a position to get its message across to those most affected. Measured by 4 Factors.
- **Fiscal responsibility**; an organization which believes that managements' decisions are the result of exercising sound judgments based on a careful balance of short-term versus long-term investment decisions will be more receptive to change than an organization in which employees already have a view that projects are focused on only short-term profit goals. Measured by 5 Factors.
- **Delegation/decentralization**; is a characteristic of highly-innovative corporations and is an implicit measure of the faith that management has in the ability of its stakeholders to make

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<sup>1</sup> Initial research was completed by Arthur D Little Inc., and has since been modified and built upon by White & Partners Ltd.

<sup>2</sup> From HR Transformations – Readiness Assessment, Integration and Change Management Planning

<sup>3</sup> See table in this paper

the right decisions. From an IT implementation perspective this characteristic suggests that not all decisions need to 'go to the top' for resolution. Measured by 5 Factors.

- **Rewards/recognition**; innovators or change agents, whether line or staff, need to be rewarded for their special efforts and leadership in bringing about change. Stakeholder's degree of satisfaction with the pre-implementation reward system provides insight into potential changes which may or may not be required. Measured by 3 Factors.
- **Reputation for innovation**; organizations which have a recognized tradition of innovation and change are more likely to adapt to new initiatives than an organization which struggles with its reputation for innovation. Measured by 2 Factors.

Knowing stakeholders' opinions provides a firmer base for management to understand the climate for and acceptance of new IT initiatives and insight into making the most appropriate upfront decisions.

An analysis of the results of the 25-Factor survey can provide insight into at least the following organizational phenomena.

- The degree of consistency of opinion within the organization on 25 significant Factors impacting acceptance of change.
- Identifying management practices and attitudes where there is clearly a difference of opinion as among top, middle and lower level management. Discontinuities, as identified, can be prioritized for resolution prior to or during the planning process.
- Setting out management practices which are of greatest or least concern to respondents.
- If the survey is carried out across several business units or functions, there is an ability to compare groups and better understand underlying differences of opinion leading to migrating best practices to all businesses.
- The identification of specific areas where corrective action – pre or during IT implantation – is likely to be required or would be highly desirable.
- Management becomes more aware of and sensitive to the existing culture in the organization and how change is likely to be received.

Properly introduced, the methodology can lead to a sense, within the organization, that change, as it unfolds, will be well managed and that concerns, having been documented, will be addressed.

<b>Company Attitude and Preparedness for the Implementation of IT Initiatives.</b> Tolerance. Communication and collaboration. Fiscal responsibility. Delegation and decentralization. Rewards and recognition. Reputation.		Totally agree	Requires Attention	Totally disagree
Company Name:		Your e-mail;		
Country:		Your position; (drop down box)		
F#	Provide your opinion on each of these statements?			
<b>Tolerance</b>				
3	Management has a high tolerance for mavericks – as evidence of encouraging ideas			
5	Management has a tolerance for failure – failure becomes a learning experience			
8	Management has a tolerance for differences from a corporate norm – new approaches to IT			
9	Management has a tolerance for risk in the planning process – willing to accept reasonable risk			
16	Management has a relaxed attitude toward mergers/large restructuring			
17	Management is interested in and allows for individual personal development – knowledge acquisition			
<b>Communication/Collaboration</b>				
2	Management makes it clear that change is the desired state in order to develop			
10	Informal communications is encouraged within the organization			
12	Broad-based consultation is in place throughout the organization			
25	Employee organizations encourage change and do not oppose change			
<b>Fiscal Responsibility</b>				
1	Management’s emphasis on profits is balanced between short and long term			
4	Leadership emphasizes finding opportunities (more so than on cost reduction)			
15	Company is more action oriented (as opposed to taking too much time on planning)			
19	Resources are generally available for new ventures – under normal business conditions			
23	Investment in IT is more – percentage wise - than the competition			
<b>Delegation and Decentralization</b>				
6	Management emphasizes the management of people – HR is effective			
11	Independent work groups have the authority to address issues			
13	Decision making is short and informal – not long and formal			
18	The organization is decentralized – as best one can given the industry			
20	Staff are sufficiently involved in decision making – as opposed line-made decision making			
<b>Rewards and Recognition</b>				
7	Careers exist for those who lead change			
14	Specific rewards are available for change leaders at all levels			
21	Innovators stay with the organization			
<b>Reputation</b>				
22	Company has a fine tradition of making changes – customers will attest to this			
24	Change/innovation increasing – a sense that this is happening			
<b>Total</b>		X?	X?	X?