Managing change in outsourcing

PARTICIPANTS
in the roundtable
Moderator: Roland Lim, correspondent, The Business Times
Panelists:
• Kris Brittain, vice-president and research director, Gartner
• Tan Lee Chew, managing director, HP South East Asia
• Vincent Wong, executive partner, Accenture
• Eugene Lau, chief information officer, Avago Technologies
• Annie Koh, associate professor and dean of executive education, Singapore Management University
• Michael Netzley, practice assistant and professor of corporate communication at Lee Kong Chian School of Business, Singapore Management University

KEY POINTS
• Central to change management is managing people.
• Understanding the organisational culture is key.
• Getting commitment from top management is essential.
• A communication strategy is essential to change management, and communication should be a two-way process.
• Both directly and indirectly, affected stakeholders should be part of the communication plan.

‘Bottomline: senior management sets the tone for the degree of vision, implementation, adoption and organisational commitment.’
– Kris Brittain

‘The role of leaders in change management cannot be underestimated.’
– Tan Lee Chew

‘Communication is also key and needs to happen at all levels and cascaded through the organisation.’
– Vincent Wong

‘Leadership at the highest levels must serve as a powerful role model with visible, regular endorsements.’
– Eugene Lau

‘The people and structure within the organisations may be the stumbling blocks — yet if garnered correctly, the very lubricants.’
– Annie Koh

‘We must always remember that change is something experienced by and delivered through people.’
– Michael Netzley

Take away the legacy and the inherited structure, look for a starting point where you don’t have a clear idea of where things are going. The second stage focuses on changing business processes and structures. This stage is the most uncertain part of the process, and after the second stage works, anxiety about the future of the business is common. However, if the change is initiated in a new vision or perspective, and getting buy-in of all the key stakeholders is critical to the success of the new organisation. ITCM cannot be viewed merely as a change management project, as change management must support the ability to continuously refine and reorientate the organisation. Like other reviews, change management is a tool: it is dependent on the context within which it is used.

Vincent: Outcomes are of critical importance. The change management project is the vehicle through which the change will be managed. But as change is not something that can be controlled, there are certain risks that need to be identified and managed. First, careful planning is essential. That requires effective project planning and management. Second, the project team must be diverse. Having the right people on the team is critical to the success of the new organisation.

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Roland: What are the key areas of change management that an organisation should look at when implementing a business process change?

Vincent: The key areas of change management that an organisation should look at when implementing a business process change are: Understanding the current state of the business; defining the target state; identifying the changes required; and implementing the changes.

Roland: How do you measure the success of a change management project?

Michael: By assessing whether the change was successful in achieving the desired outcomes. This can be done by reviewing the measurement data and comparing it to the baseline data. The change manager should also assess the feedback from the stakeholders to determine if the changes were successful.

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