

CASE STUDY



THE CHANGE MANAGEMENT CHALLENGE

To help a major South African retailer - with nearly 2,500 stores spanning 14 countries and employing approximately 140,000 people - adopt a key dimension of a major transformation.

LET'S DIVE IN ...

The key element left to be deployed

As our client reached the end of their project delivery phase, a key element of their Enterprise Resource Planning (ERP) software had yet to be successfully deployed; and it was this feature which underpinned so much of the value contained in the business case.

The specific functionality would allow the retailer to track the value of every article throughout the supply chain, providing the ability to understand specific cost implications associated with that article at any given moment in time.

The data emerging from this critical feature would allow the management team to make key decisions to ensure that profitability for each item was maximised.

The power of comfort

Prior to engaging in this programme, the business had followed a traditional approach to retail accounting. It certainly seemed like a necessary (and obvious) transition to individual cost component accounting; however the project team had underestimated the power of comfort with the ways things are, and always have been.

A hugely successful buying team had always employed a traditional approach to accounting in a retail setting, and had managed to ensure that the business remained a market leader – and so, there really was no burning platform for the change (certainly as far as they could see).

What's the risk of not changing?

By the time CMC Global was engaged to assist with guiding the people side of the change, it was clear that from an ADKAR® perspective, there was already a high level of awareness of the need for the change, but many were hesitant about whether there really was any risk involved in not transitioning to the new functionality. The implementation team were at pains to stress how this new functionality was a key component of the initial business case, and that not adopting this cutting-edge functionality was a symptom of fear associated with undergoing the transition needed to deploy the technology.

With some key elements of the awareness dimension missing from a *desire* perspective (with the score on a 1-5 scale, where 5 is high and 1 is really low) they were firmly placed in the 1 camp! So there was a real, tangible barrier point, which was actively frustrating the change process, and of course delaying the realisation of business benefits.

Assessing the Prosci® Change Triangle

Considering the challenges which the organisation faced whilst contemplating this significant change, we reflected on one of the fundamental models underpinning the Prosci methodology, the **Prosci Change Triangle (PCT)**. According to this powerful framework, delivering ALL the benefits on time and within budget is dependent on high levels of leadership/sponsorship support, effective change management and effective project management, as well as having a clear definition of success.

OUR LEARNINGS

As we reflect on this experience, it is clear that change management cannot simply be a box-ticking exercise.

The implementation of any change that requires people to change the way they work, no matter how small the technical change may appear to be on the surface, is first governed by the prevailing culture in the organisation.

The culture of the organisation is both the definite enabler or inhibitor to its success: acknowledgment of the cultural and behavioural norms must occur alongside active and visible executive leadership and sponsorship of the change, if the change is to succeed in delivering its expected business value.

Otherwise the culture will eat the desired change for breakfast.

This particular programme had enjoyed excellent project management support throughout, but at various times, sponsorship and change management support was not optimal. And it is these two levers which are needed to drive awareness and unlock desire.

Ultimately it was the adoption of the change which dealt the fatal blow to the return on investment.

CMC Global continues to support the client on their Change journey.

Change for good, together

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