

The man who dreams of success and artistry, and yet thinks it necessary for somebody else to lick him into shape, is a man whose art is doomed to mediocrity.

If you're going to deliver the goods, you've got to do your own licking into shape. Back up! Kick in! Get onto yourself! Don't squeal. Don't tell me, or any man, how good you consider anything you've done, and that you think it is as good as somebody else's. Make your work do damned well better that you won't have time or thought to compare it with another's mediocrity.

Jack London

ManageIT and Change Management

By: Gary Rinehart
Decision Interface

White Paper - August 2006

Table of Contents

ManageIT and Change Management	2
Introduction.....	2
The Management of Change.....	2
ManageIT Overview	10
What is ManageIT.....	10
Process in ManageIT.....	11
ManageIT Project Phases.....	18
Managing an Implementation Project.....	23
MCM Overview	26
Final Thoughts	28
Appendices.....	29
Selected Bibliography	29
The Eight Risk Factors.....	29
Target Response.....	29
Strategy Decision Table.....	31
Organization Change Management.....	32
ManageIT Process Improvement / Decision Interface.....	37

ManageIT and Change Management

Introduction

Business is living through some of the most turbulent years in history. This turbulence in the work environment is caused by significant changes in people, methods, and goals, that occur so fast that the work force is unable to operate effectively. In such an environment, the frequency and complexity of major changes such as advancing technologies, the energy crisis, economic instability, government regulations, new products and markets, and new employee expectations exceed the workers capacity to adjust. Skills to respond effectively to these changes have become essential survival tools for most organizations.

As the rate and complexity of change accelerates, managers must understand the dynamics of how employees can adapt to work environments in constant transition. One of the important variables in the adaptation process is the level of *commitment* demonstrated by employees toward change. In this regard, the central question for today's manager has become, "Is there enough commitment to implement the changes I am responsible for and to assure successful achievement of the intended goals?" This is a question often asked during a Decision Interface ERP Implementation Project. Question asked and answered is "Maybe!" There are ways, however, to address this dilemma. Incorporated within Decision Interface's implementation methodology, ManageIT, are basic change management processes that assists the Decision Interface consultant and our clients in successfully overcoming this natural resistance to change.

Commitment:

Commitment is what transforms a promise into reality. It is the words that speak boldly of your intentions, and the actions that speak louder than the words. It is the making of time when there is none.

Commitment is the stuff character is made of -- the power to change the face of things. It is the daily triumph of integrity over skepticism. Coming through – time after time, year after year, after year.

The Management of Change

Change whether it originates from external forces or within the organization can and must be managed. In the past, most managers focused on the technical and human aspects of accomplishing their job responsibilities. Today, more than ever, managers must gain competence in the area of directing change.

Projects designed to modify an organization are many times initiated with little management understanding of how orderly transitions occur or the critical role that the human element plays in influencing the success of a change effort. For a successful transition to be achieved, managers must demonstrate the ability and willingness to anticipate problems, to understand the dynamics of the change process, and to respond

effectively. Decision Interface's implementation methodology takes these change dynamics into consideration and provides tools to the implementation team to successfully communicate, educate, and empower the organization to achieve their future state.

The Change Process

Kurt Lewin (1958) developed a simple model to describe the change process. It is still considered to be one of the most accurate descriptions of how change occurs.

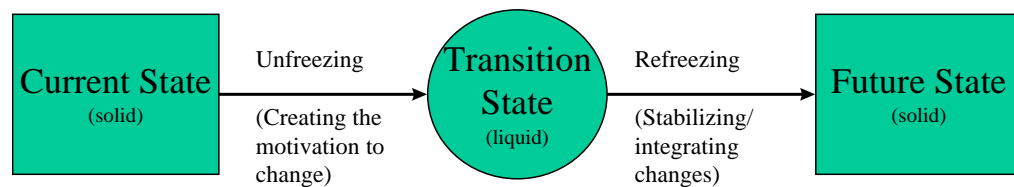


Figure 1: Change Process

The model depicts change as a series of transitions between different states. The Current State reflects the status quo; thus, it is a condition of relative equilibrium or stability. The laws of inertia specify that a state of equilibrium will continue indefinitely unless that state is modified by a disruptive force. When a disruptive force affects the status quo, it unfreezes the Current State much like heat thaws an ice cube. In organizational change projects, this unfreezing movement from a solid Current State to a liquid Transition State is accomplished by creating a climate where people are motivated to discontinue some aspect of their behavior. The Transition State represents a phase of change when people are no longer acting as they used to, but neither are they set in a new behavior pattern. It is a liquid or fluid state in that the motivation to change has disrupted the present equilibrium, but the Future State has not yet been formed. The Transition State is a fascinating phenomenon because it embodies danger and opportunity for the persons or organizations involved. Unfreezing invalidates established frames of reference and accepted patterns of behavior. The old methods become inoperative, and this, in turn, generates tension and a high need for a new operating framework.

The confusion that results from the inability to understand and control the environment produces stressful situations; however, the need to reduce this anxiety promotes a powerful desire for seeking out, processing, and utilizing information to create a new state of stability. When people without a sense of equilibrium are uncomfortable, they are eager to do whatever is necessary to regain that equilibrium. These unpleasant aspects of the Transition State make it possible for new learning to occur.

At some point, the uncertainty of the Transition State, in conjunction with the need for stability, begins a process of stabilizing and integrating the change. This process of learning new behavior patterns is called refreezing. If unfreezing and Transition State are

well planned and managed, the result of the refreezing or solidifying the process is the Future State. If these earlier phases are not handled appropriately, however, the people and the organization will refreeze, but not necessarily in the planned Future State.

Again, the ManageIT process provides tools for successfully refreezing the organization in the desirable form. There are, however, no guarantees. The Decision Interface consultants and the client's team can develop a detailed Transition Plan that the client community can either follow or disregard. It is up to the change management skills of the project team to successfully maneuver (manage) the organization to the correct Future State.

Assimilating Change

What is Change from a People Perspective? Human beings are extremely control-oriented. We feel the most competent, confident and comfortable when our expectations of control, stability and predictability are being met.

Status Quo = Expectations being met

Change occurs when this balance shifts and expectations are disrupted.

Change = Disruption of expectations

Change disrupts expectations by attacking our competency, comfort, confidence and control (4C's). Disruption of these 4 C's produces:

- Low stability
- High stress
- Declining productivity
- Anxiety
- Fear
- Increased conflict

How do we adjust to this disruption? We adjust by "assimilating change". This involves not only the effort necessary to deal with what is causing the change (i.e., new technology, new processes, changes in the organization) but also the short-term and long-term implications of the change (e.g., power base shifts, new skills must be learned, new relationships formed, new expectations established).

“Assimilating change” can be a costly process because it involves such things as:

- Intellectual Energy
- Psychological Energy
- Physical Energy
- Personal Energy
- Relationship Energy
- Professional Energy
- Economic Energy

We believe that these change points can be addressed economically and effectively by 1) education, 2) communication, 3) leadership and 4) empowerment. ManageIT provides the project team with the tools to address both items one and two. If the company has the proper leadership, empowerment is simply an outcome of this style. If this is the situation, Decision Interface’s consultants utilizing ManageIT can successfully achieve the Future State with few complications. If empowerment and leadership are not a strength of the client, Decision Interface provides addendum consulting services focused on Change Management. Through the experiences of Decision Interface’s clients, we’ve seen what a successful implementation requires and where an implementation can break down. We’ve based our approach to change management on these successful implementations.

Our change management services address the critical aspects of a system implementation – the ones that left unmanaged can significantly extend the implementation process and almost guarantee the failure of the new system. We realize that no two system implementations are exactly alike, so we’ve developed a methodology that lets us work with the client’s change management team to build a custom solution for each client requiring this service.

Pain Management

Individual and corporate change does not occur when existing mechanisms for dealing with problems or opportunities are perceived to be adequate. The present method of operation or way of thinking must be seen as no longer viable in order for a person or a corporation to justify unfreezing from the inertia of the status quo. Resistance is, therefore, always the companion of major change.

It is very important that those who wish to promote change of any type view “disruption” as the focal point in understanding resistance to change. Existing Frames of Reference (FOR) provide unconscious psychological security (even if they are unwarranted), and the fear of ambiguity and loss of control during change is so powerful that it immobilizes many people and prevents their movement to even highly desired new circumstances. This bond to the status quo is so strong that substantive change can only occur when people feel they have no choice – the tangible or emotional price for facing transition has become less than the “pain” they will endure if they remain in their current circumstances.

Because of these psychological dynamics, sponsors, agents and advocates of change must learn to understand, appreciate, and apply the basic concepts and techniques of “Pain Management”.

Key Concepts of Pain Management

- 1) People are generally very frightened of the transition state and will avoid change if possible.
- 2) Change-related pain refers to the level of discomfort a person experiences when his/her goals or expectations are not being met (current pain) or are not expected to be met (anticipated pain) due to the status quo.
- 3) A critical mass of pain must be present to justify a person’s breaking the inertia of their status quo. “Pain Management” is the process of consciously surfacing and orchestrating certain information in order to generate the appropriate level of discomfort regarding the continuance of the status quo.
- 4) The level of pain needed to achieve this critical mass is relative to two factors: Frames of Reference (F.O.R.) and pain tolerance. Each person’s FOR will dictate the degree of pain that is perceived, and their tolerance for pain will then determine the actual critical-mass point necessary for movement to occur. This means that change will be supported by a sponsor only when the pain of maintaining the current state is greater than the pain incurred in leaving the status quo and moving through the unknown to a new future state.

<p style="text-align: center;">No one plans to fail. But many fail to plan.</p>
--

It should be noted that there are some individuals whose pain tolerance is so great that they proceed until the cause of the pain becomes terminal. Unfortunately, this is also the case with a number of companies within Corporate America. Thus the rise and fall of DEC, Wang, and many other companies that failed to recognize that their Current State no longer mapped to their existing environments.

The Roles of the Change Process.

Whenever this process of unfreezing, transition, and refreezing occurs in organizations, three important roles are involved: sponsor, change agent, and target.

Sponsor:	the individual or group who uses organizational power and influence to legitimize the change.
----------	---

Change Agent:	the individual or group responsible for implementing or helping to implement the change.
Target:	the individual or group who, as a result of change, will alter their knowledge, skills, attitudes or behavior.

As elementary as these three roles seem to be, most managers lack an understanding of or appreciation for them and their importance to the overall change process. Sponsors are notorious for initiating major organizational alterations by issuing a decree to the targets and bypassing the implementation role of the change agent. Agents frequently decide to modify something without ever gaining a sponsor's approval, or they attempt to change far more than the sponsor originally supported. In many cases, significant shifts in operations are initiated without a clear definition of who is the target population, how they will be affected, and to what degree are they ready to accept or resist the new format. In all these cases, the possibility of negotiating a successful change is undermined because the participants lack an understanding for the roles.

These roles may be manifested in different ways. One possibility is for each role to occur at a different level in the organization. The sponsor, for example, might be the chief executive officer; the agents might be middle management; and the targets might be first line supervisors. Another possibility is that all the roles will be performed by the same person. A division manager might sponsor MBO for the division, serve as the agent by developing and implementing a plan for MBO used in the division, and be a target by using MBO with subordinates. This model would certainly not be the case for a Decision Interface applications implementation. Without exception, we've found the first model to be the model of choice.

All three roles act interdependently in all three phases (Current State, Transition State and Future State) of the change process, but certain roles are more critical at some phases than others (see Figure 2). Although important throughout the process, sponsors are most critical to a successful project at the beginning. Without their power and influence to unfreeze the status quo, the likelihood of change is extremely low. Agents demonstrate their greatest contribution during the Transition State Phase. In this capacity they serve as planners, diagnosticians, implementers, translators, referees, coaches, negotiators, scapegoats, lightning rods, and buffer zones among sponsors, targets, and other agents. Targets are most prominent at the Future State Phase. At this point, they control whether or not implemented system (knowledge, skills, attitudes, or behaviors) actually works. Reviewing the number of technically sound change projects that fail due to target resistance can remove any doubts about the power of targets at this stage.

Roles in the Change Process	Unfreezing	Transition	Refreezing
Sponsor	<i>Most Critical</i>		
Change Agent		<i>Most Critical</i>	
Target			<i>Most Critical</i>

Figure 2: Critical Phases for Roles in the Change Process

ManageIT provides tools for communication and education at each phase for each role. The guidelines provided within ManageIT sets a roadmap for a successful implementation.

Determinants of Successful Change

Once a change has been clearly defined, three major determinants govern successful implementation: 1) the readiness of the organization, 2) an implementation plan, and 3) the skills to carry out the plan. These three factors function together, and a weakness in any one can greatly decrease the potential for successful change.

Understanding the Need

Change management is the active process of transitioning the human and organizational factors of a group toward their Future State. Change management theory is comprised of many disciplines, including systems theory, organizational development, education, technology, psychology, communication and business. Effective change management services are those that combine the sound, theoretical principles of academia with the proven experience of industry experts.

Some may question, why should I manage change? Why spend the time and effort? The answer is simple: If you don't manage change, it will manage you. Rather than benefiting from the opportunities change can bring, unmanaged change can leave your organization struggling just to cover the technology cost. An IBM study¹ found that a successful technology implementation is directly related to an organization's ability to accept and adapt to change.

Change brought about by the implementation of new technology can be the most complex type of organizational change. The decision to move to new technology often reflects a change in corporate vision, driven by the need to remain competitive and adapt to changing conditions -- such as the entry of another competitor into the marketplace.

¹ IBM Consulting Group Report on Client/Server, IBM Corporation, 1994

Whether you are confronted with a simple change or a very complex one, a key concept to remember about change management is that it's a process. Using a sailboat analogy, change management reflects an ongoing adjustment of the sails rather than a one-time mapping out of a course. Like the wind, change is unavoidable and very powerful – and without it, you'd be going nowhere. And though you can't chart your course by it, you can certainly adjust your sails and make it work for you. The difference between being tossed about at sea or confidently sailing around the world is all a matter of how adeptly you handle the wind. The same applies in managing change in a business environment.

Partnering for the Journey

Managing technology-driven change requires not only a knowledge of the intricacies of change management and the technology, but also a thorough understanding of the business environment and the complexities associated with introducing technology into that environment. There is good news for the business leaders who perceive the task of managing change as a daunting one: you do not have to make the change management journey alone. Decision Interface provides consultants with industry knowledge, technology knowledge and change management knowledge. Many who have succeeded in technological change have done so with the help of knowledgeable, reliable, implementation experts. Utilizing ManageIT the Decision Interface consulting team can address the majority of our implementation efforts. For the more difficult environments, Decision Interface's Change Management Services can be called in to assist the implementation team to lead an integrated change initiative, assuring that the human and organizational issues relating to the technology support rather than detract from the implementation effort.

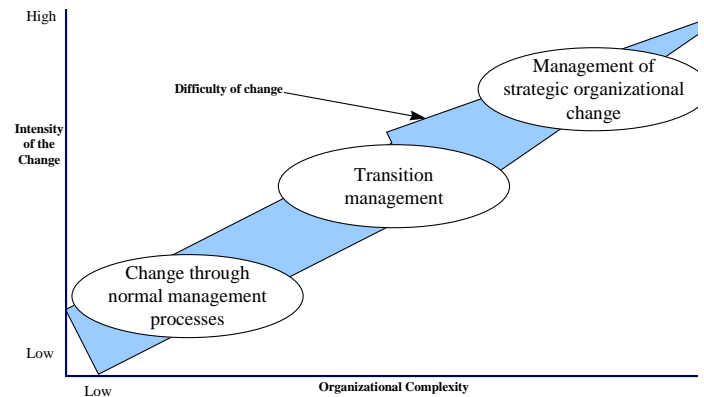
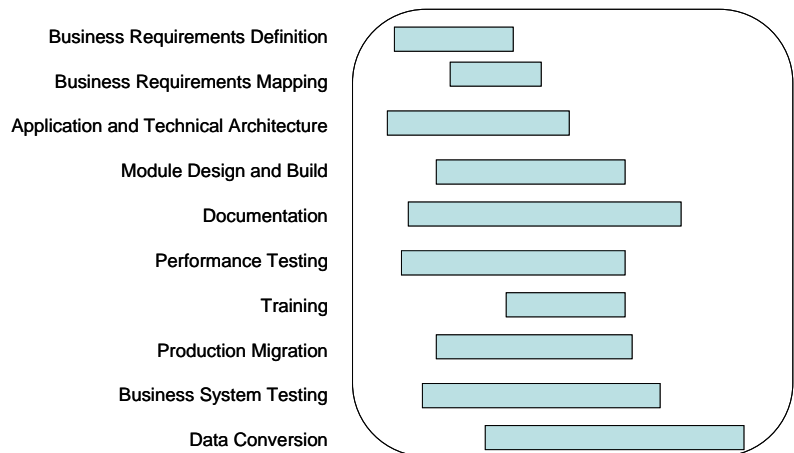


Figure 3: Types of Change Management. Nadler and Tushman, "Organizational Frame Bending: Principles for Managing Reorientation", *Academy of Management, Executive Magazine*, 1989, vol. 3, no. 3, pp. 194-204.

ManageIT Overview

This overview discusses the content and structure of Decision Interface’s implementation methodology (ManageIT).



• Figure 4 Overview of ManageIT Process

The basic purpose of this section is to illustrate the relationship of ManageIT to Change Management. The concepts of Change Management are built into each Phase and Process of the ManageIT methodology.

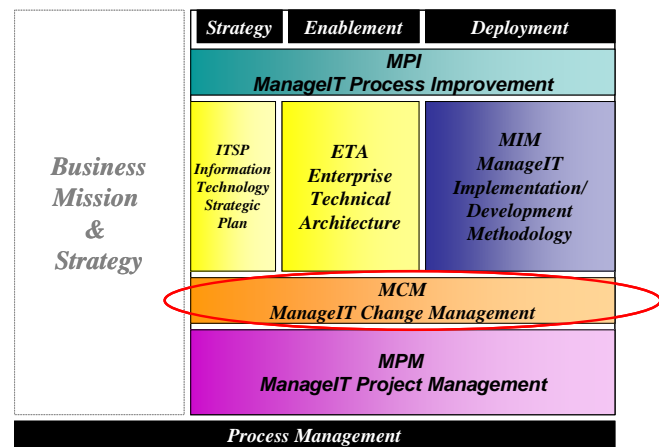
What is ManageIT

Decision Interface implementation methodology (ManageIT) is a proven process for implementing applications. It is comprised of a set of well-defined processes that can be managed in several ways to guide you through an application implementation project. It provides the tools needed to effectively and efficiently plan, conduct, and control project steps to successfully implement business solutions.

ManageIT ensures that business needs are clearly defined at the beginning of the project and remain visible throughout the implementation process. ManageIT defines how all internal, external, and time-sensitive business events are handled, and maps each event to how the business and system processes need to respond. In this way, the business community gains an accurate understanding of the range of business requirements to be met by the final system.

ManageIT is designed to be used in Decision Interface’s ERP implementation projects; however, with some minor changes in technique the method can be applied to other technologies and appropriate products as well.

ManageIT introduces the tasks and deliverables that should be included in any full life-cycle implementation project. Each task in ManageIT has the clear objective of producing a single deliverable. Tasks are assigned to processes based on common techniques, skills or dependencies. The tasks within these processes are then assigned to a phase. The end of a phase reflects the completion of a major set of objectives and milestones in an ERP



• Figure 5 ManageIT Change Management (MCM)

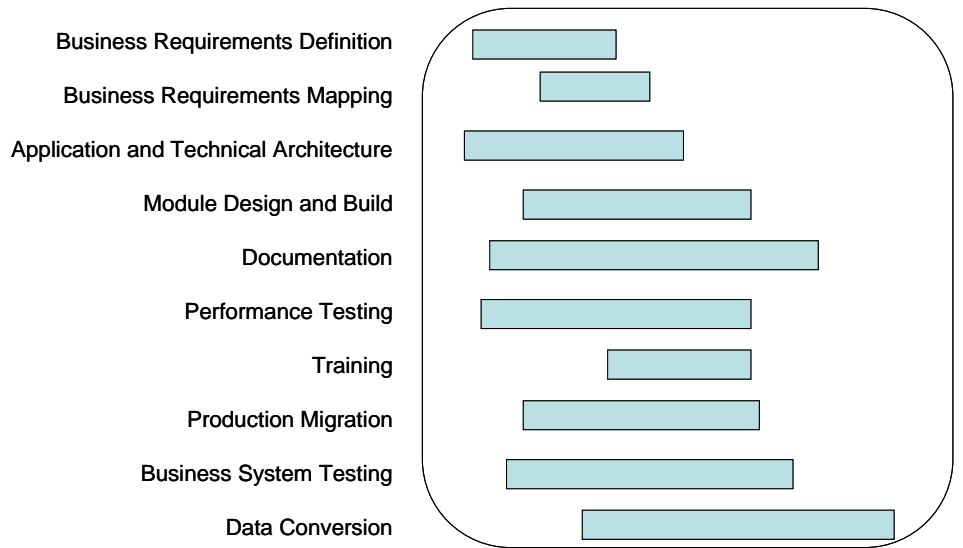
implementation effort.

ManageIT clearly meets the demand for faster business solutions. While traditional implementations make it difficult to realize business benefits quickly, use of ManageIT can significantly reduce the implementation life-cycle by defining the fastest route to implementation.

Process in ManageIT

All ManageIT tasks are organized into processes in order to group related deliverables together. Project team members are usually assigned to these groupings according to their specialization and background. A process represents a related set of objectives, resource skills requirements, inputs, and deliverable outputs. A task can belong to only one process.

Figure 6 illustrates the process overlap that occurs during a project. The extent to which overlap is permitted is a function of task prerequisites and the availability of project resources.



• Figure 6 ManageIT Process

This section provides a brief overview of the ManageIT processes:

- Business Requirements Definition
- Business Requirements Mapping
- Application and Technical Architecture
- Module Design and Build
- Data Conversion
- Documentation
- Business System Testing
- Performance Testing
- Training
- Production Migration

Business Requirements Definition

The Business Requirements Definition process defines the business needs that must be met for the successful implementation of the application and technical suite. Document

business processes by identifying business events and describing the steps you take to respond to those events. Organize these processes into business scenarios that fully capture your business requirements. The project team conducts a baseline of the current business to ensure current minimum requirements are considered, and then constructs future business process and function models to portray future business requirements. The future process models and business requirements scenarios will later be mapped to application functionality and will partially dictate the definition of the technical architecture.

As part of requirements definition, the financial and operating structure of the company is identified, as are the volume of business transactions and storage requirements. Audit and control considerations for financial and system administration further define security and operating requirements.

Business Requirements Mapping

The Business Requirements Mapping process ensures that an acceptable and feasible solution to business requirements is developed and documented. Mapping teams are assigned groups of future business processes, usually logically related by business area. Business Requirements Scenarios are then mapped to application functionality.

As gaps between requirements and functionality emerge, they are resolved by documenting workarounds, alternative solutions, application extensions, or even by changing the underlying business process.

Once all business processes have been mapped to the application, the project team can document at a very detailed level how the business will run using the new system.

Application and Technical Architecture

The Application and Technical Architecture process is the means by which you design an information systems architecture to realize your business vision. Using the business and information systems requirements, the process facilitates development of a blueprint for deploying and configuring:

- ERP suite applications, third-party, and custom applications
- supporting application databases
- critical enterprise interfaces and data distribution mechanisms between applications, servers, and data centers
- computing hardware including servers and client desktop machines
- networks and data communications infrastructure

- a coherent and well-designed information systems architecture is a critical success factor for any implementation project. The information systems architecture design should be
 - ✚ derived from balanced input of business and technical requirements
 - ✚ consistent with the corporate business vision and provide the information technology framework to achieve it
 - ✚ realistic about the capabilities and the limitations of the technology it is based on
- The first item above is especially important. The architecture part of an implementation project is often considered to be purely technical in nature, with the resulting risk that the business requirements are treated as subservient to the technology. A well-managed architecture project uses the business requirements and functional mapping as drivers for the optimal configuration of the applications being implemented, for the hardware and network infrastructure providing the applications processing, and for the tools and procedures needed to manage the complete system.
- To arrive at an architecture for the newly implemented systems, the architecture team may need to consider the following types of complex issues:
 - ✚ the best deployment strategy for the applications across one or more data centers, business organizations, and business functions
 - ✚ the high-level configuration of the applications to support financial, administration, manufacturing, and distribution business units
 - ✚ the interface points between the applications and/or remote sites, including specifications, data-flows, and mechanisms the deployment and capacity planning of the hardware and network infrastructure that will support the applications processing
 - ✚ the management tools and procedures that will enable the system to continue to operate as intended

Relative to other processes, the architecture process occurs early in an implementation project. While the formal process is active only during the Assessment and Envision phases, architecture deliverables are required and used throughout the entire implementation project. This is because the architecture process defines the framework for the technical aspects of the future system and also for the project that is defining and creating the new system.

Both application and technical architecture designs become more detailed and concrete as they progress from the Assessment through the Envision phase. It is important to consider both aspects of architecture throughout the process so that a top-to-bottom view of the future system architecture is created early on. Any issues that affect the technical

architecture can then be assessed in the context of the application architecture design, and vice versa.

Module Design and Build

The Module Design and Build process produces custom solutions to gaps in functionality identified during Business Requirements Mapping. Custom solutions include program modules (forms, reports, zooms, alerts, database triggers, and so on) that must be designed, built, and tested before they can be incorporated into the system. Module Design and Build addresses the design and development of the custom modules; the Business System Testing process supports testing of custom modules.

Technical Analysts work with Business Analysts to define the specific custom extensions required to support the requirements and then estimate the work effort required to design and build the extensions. Designers write functional and technical specifications for each module, which together comprise the detailed design. Programmers code new modules or modify existing modules based on the detailed design documents.

Data Conversion

The Conversion process defines the tasks and deliverables required to convert legacy data to the application tables. The objective of the Data Conversion process is to convert and test all legacy data that is available, feasible to obtain, and necessary for the operation of the new application. The first step of this process is to explicitly define the data business objects that are required to be converted, along with the legacy source systems. The converted data may be needed for system testing, training, and acceptance testing as well as for production.

Following this, the project team determines an overall strategy to meet the defined conversion requirements. Both automated and manual methods should be considered as possible solutions. The conversion process includes designing, building, and testing any conversion programs that are necessary as well as the actual conversion of the legacy data.

Documentation

The Documentation process begins with materials created early in the project to build quality operation support reference materials. Standard Decision Interface reference and training manuals must be made specific to the application being implemented. Using plans, procedures, and detail documents from the project, the writing staff develops user and technical material that is tailored to the implementation.

A complete documentation set includes a System Management Guide, User Guide, User Reference, Technical Reference, and online help text. Producing prototypes for each document encourages early consensus on documentation design, format, and content.

Business System Testing

The Business System Testing process is an integrated approach to testing the quality of all application system elements. It focuses on preparing for testing early in the project life cycle, to ensure linking of testing requirements back to business requirements as well as secure availability of the project resources for testing purposes. Finally, it supports utilizing common testing information, including data profiles, to promote testing coordination and minimize duplication of test preparation and execution effort.

The intent of the Business System Testing process is to provide a formal approach to testing. The primary deliverable of the testing process is high quality application systems, including both packaged applications components and custom extensions.

Performance Testing

The Performance Testing process enables you to define, build, and execute a performance test on your system. The process does not assume a particular scope for the performance test—you can use the same process to define a complex test on an entire system, or a simpler test on some component or subset of the system. You may also initiate the process more than once on a project with differing scope and objectives to test the performance of different aspects of your system. The specific goals of each process and the relative timing within a project may be different, but the method you use can be the same.

The primary benefit of this process is that it provides a powerful and direct means of assessing the performance quality of your system or some part of it. You can use the results to make decisions on whether the performance is acceptable or not for the business and to help propose tactical or strategic changes to address the performance quality shortfall. If the performance characteristics you measure prove to be unacceptable, you can implement tuning to improve the performance quality or, alternatively, propose a change in the architecture of the system to provide the more dramatic improvement you desire. The performance testing process is closely related to the Application and Technical Architecture process and both are mutually interdependent.

The performance testing team defines the scope of testing and relates it to point-in-time snapshots of the transactions expected in the real production system. Technical analysts create or setup transaction programs to simulate system processing within the scope of the test and populate a volume test database against which to execute the transactions.

Once the system and database administrators have created the test environment, the test is executed by the project team and the final results are then documented.

Training

The Training process ensures that both users and administrators are adequately trained to take on the tasks of running the new application system.

Training includes development of materials and methods as well as administration. Trainers and courseware developers orient their material toward the roles and jobs, and not toward application modules.

ManageIT distinguishes between education and training. Education provides an understanding of the fundamentals of how the business operates in a certain type of environment. Training refers to the ERP products and skills courses.

Production Migration

The objective of the Production Migration process is to migrate the company, systems, and people into the new enterprise system.

Following production cut-overs, additional objectives include monitoring and refining the production system and planning for the future.

The Production Migration process encompasses the following areas:

- transition to Production Readiness
- production cut-overs
- post-production support

During Production Migration, the project team deploys the finished solution into the organization. This transition depends on the Module Design and Build, Business System Testing, Training, and Documentation processes for the fully tested business solutions, custom extensions, conversion programs, documentation, and training materials. Transition can be considered to be complete once live data has been converted and verified, and users have started live production using the new system. Once the new system is stabilized, regular maintenance and system refinement begins. In addition, management can begin preliminary planning of the company's future business and technical direction.

ManageIT Project Phases

You conduct a ManageIT project in phases. This provides quality and control checkpoints and allows you to coordinate project activities that have a common goal. During a project phase, your project team will be executing tasks in several processes.

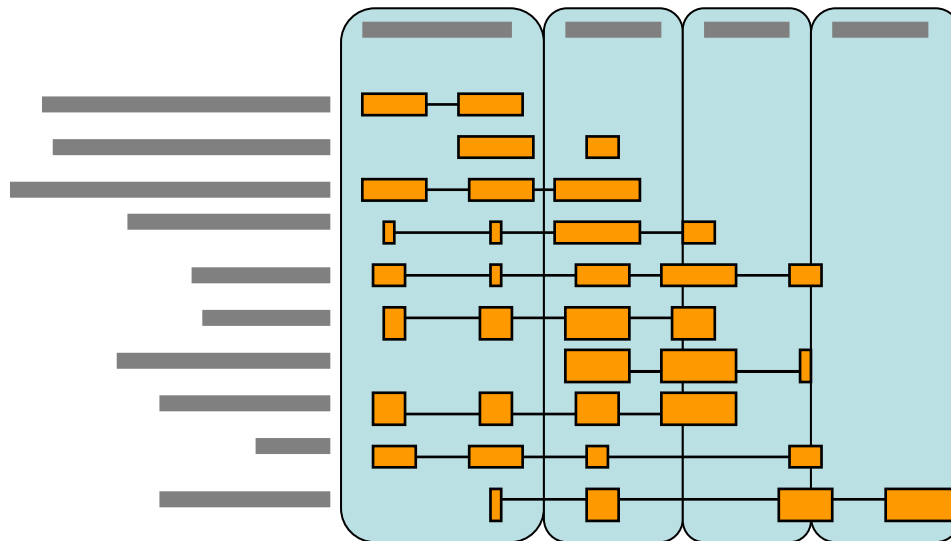


Figure 7: The ManageIT Approach Diagram

Figure 7 illustrates the relationship between phases and processes.

Below is a description of the phases that are part of the ManageIT application implementation approach:

Assessment

During Assessment, you plan the implementation project. You also create the infrastructure to support ongoing project activities.

You establish the steps to guide the project team through the ERP implementation. The project manager and the project team work together to build an achievable work plan. To plan the project, you review your organization's business objectives and evaluate how feasible it is to meet these objectives under constraints such as time, resources, and budget. Project managers introduce the work plan to the other team members with guidelines on how the organization will work together to achieve common objectives. Establishing scope early in the implementation gives the entire team a common reference point and an effective means to communicate.

Also during Assessment you develop architectural, conversion, and performance testing strategies, objectives, and approach.

In order to achieve clear, early understanding regarding current business operations and future processes, you perform baselining and process modeling.

The goals are to identify business and system requirements, propose the future business model, and determine the application and information technology architecture. The team reviews financial, operational, technical, and administrative processes to verify that everyone understands and agrees on the detailed business requirements. All business requirements are associated with planned future business processes. Sharing an accurate understanding of these requirements is a critical success factor to the project.

During this phase, the project team collects management, technical, and end-user business process information and requirements. A model is developed for each business process and its level of fit with the applications is assessed. The analysis results in a proposal for conducting business operations under an envisioned application technical architecture.

You create a model for the application structure and suggest an overall technical architecture. The model proposes how the business and integration requirements fit

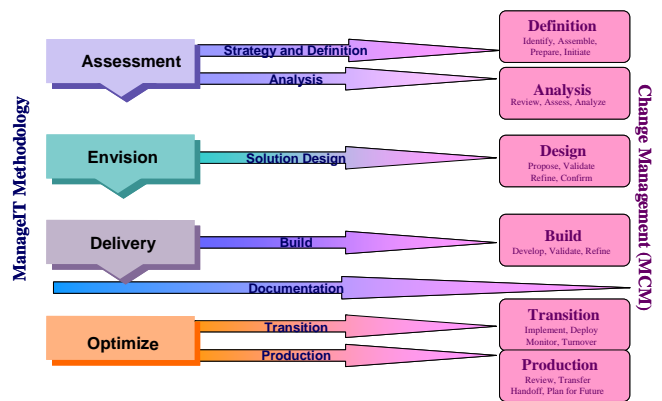


Figure 8: ManageIT and MCM Phases

within the application architecture. The technical architecture recommends the high-level hardware, software, and communications to support the future business system. The Application and Technical Architecture documents evolve into detailed designs during the Solution Design phase.

In order to develop models of future business operations you must make certain your initial assumptions regarding solutions are correct. Solutions may require minor modifications to forms, reports, and programs. The team should explore workarounds to application gaps before considering custom modifications or new development. If solutions require custom development, the team prepares high-level solution documents. These solution documents include general descriptions of the features required and an estimate for each customization. Estimates are conveniently presented in development stages: analysis, design, build, test, and upgrade. You review the estimates and agree on the customization approach and estimates before detailed design can begin.

As well as creating models for the new business system, the performance testing team creates models for the testing of the performance characteristics of the new system. These performance testing models will usually focus on critical system processing and key business functions and transactions.

Approval of the solution document estimates also provides management with an opportunity to verify the accuracy of the initial business solutions developed by the project team. If the estimated cost to satisfy a perceived functionality gap is high relative to the inconvenience or resources required for not filling the gap, management may ask the project team to consider alternative solutions.

Finally, you develop a transition strategy for migrating the company from the current to the future way of doing business. The plan lists all the areas of the business requiring preparation and provides a general approach for proceeding with the migration.

Envision

The goal of the Envision phase is to create the optimal business process solution to meet your future business requirements. Unlike the previous phase, the content of the Envision phase emphasizes a technical approach to designing custom modules and creating the supporting applications and technical architecture.

During Envision, project team members create detailed narratives of process solutions that were determined by matching application features to business requirements during Assessment. Designing business solutions first considers standard applications features.

Supporting the business requirement sometimes requires building application extensions to standard features. Several alternative solutions may have been defined during the

Assessment. The project team carefully scrutinizes these solutions and chooses the best alternative according to functionality, maintenance, benefits, and development costs.

To thoroughly design a business solution, you must ensure that planned work flows are feasible and measurable at the role and task level. When designing solutions, you consider organizational changes, process improvement, and reengineering initiatives to the extent that these are within scope. These initiatives often affect how application features are controlled, enabled, or implemented. Some applications may promote a better method of doing business simply by introducing a new approach or taking advantage of technology.

While solution designs are being finalized, the application and technical architecture also begins to take form. The technical staff designs a technical architecture that can fully support the standard application configuration and custom solutions, and that takes into consideration the future system architecture needs of the company. The technical staff also designs the detailed performance testing programs and environment for executing the performance tests.

As solutions to business requirements are created you will begin to develop the foundation for user and operating documentation. These will be revised as the project progresses.

Keep in mind that business process design is an iterative process. Tasks that span both the Operations Analysis and Solution Design phases will be performed as a unit by a design team. For instance, creating a business process model, extracting detailed requirements from this model, mapping to the application, documenting gaps and workarounds, and recording proposed application setup decisions will appear seamless to a design/mapping team.

Delivery

During the Delivery phase, you code and test all custom extensions including enhancements, conversions, and interfaces. The business system test is conducted in order to validate the solutions identified during Envision phase.

Even if no customizations, extensions, or conversions are required, the Delivery phase is still important because it includes the final business system test that is commonly conducted as a formal conference room pilot. The business system tests are performed in an environment that closely resembles the conditions expected during Production. The Performance Testing team creates performance testing components during Build and executes the performance tests.

During the Build phase, developers produce unit-tested program modules. Integration, performance, and business system tests are performed and you deliver a working, tested business system solution at the end of the phase.

Optimization

During Optimization phase, the project team deploys the finished solution into the organization. Optimization depends on the Delivery phase for the fully tested business solution, extensions, conversion programs, documentation, and training materials. At the completion of Optimization, the live data has been converted, verified, and users have started live production.

All the elements of the implementation must come together to transition successfully to actual production. The project team trains the end users while the technical team configures the production environment and converts data. The Optimization phase does not end with the cut-overs to production, when end users start performing their job duties, but continues with optimization of the system.

The Optimization phase is a demanding experience for the project team and, in particular, for the end users who have to maintain two systems until production is declared. Therefore, managing changes and buffering your organizations from any negative impact must be your top priority. Preparation and planning in advance facilitates this transition process.

The final system certification provides written confirmation that the system meets business and project goals and objectives.

Production marks the last of the Optimization phase of the implementation, and the beginning of the system support cycle. Included in this phase is a series of refinement and measurement steps, optimizing steps. The Information Technology (IT) personnel work quickly to stabilize the system and begin regular maintenance. They will provide the ongoing support to the organization for the remaining life of the system.

The Optimization phase governs all support activities of the production system and includes some specific post-production tasks. You measure and audit the business improvements against project objectives, the actual implementation metrics against planned metrics, and system performance against predicted performance. System refinement begins in a controlled manner to minimize impact to end users. And finally, you start preliminary planning of the future business and technical direction of the company.

Managing an Implementation Project

Decision Interface's ManageIT Project Management Method (MPM) provides a framework in which all types of projects can be planned, estimated, controlled, and tracked in a consistent manner. This consistency is required in today's business environment where projects often implement packages, develop custom solutions, and create a data warehouse in order to satisfy a business need.

There are two dimensions to MPM. The first addresses "what work" needs to be done to manage and support a project. The second is "when" those management and support tasks should be performed in the project life-cycle.

MPM tasks are organized into five processes that help project management understand "what" tasks need to be performed for a successful project. The MPM processes are as follows:

1. The Control and Reporting process determines the scope and approach of the project, manages change, and controls risks. It contains guides for reporting progress status externally and for controlling the Quality Plan.
2. The Work Management process defines, monitors, and directs the work performed on the project. It also maintains the financial view of the project for Decision Interface management.
3. The Resource Management process determines the right level of staffing and skills for the project, and the working environment to support them.
4. The Quality Management process implements quality measures to ensure that the project meets your organization's purpose and expectations throughout the project life-cycle.
5. The Configuration Management process stores, organizes, tracks, and controls all items produced from and delivered to the project.

It also provides a single location from which all project deliverables are published.

The tasks within each MPM process are assigned to a MPM life-cycle activity. Each activity is integrated into a project plan that shows when the project management and support tasks should be performed. The MPM life-cycle activities are as follows:

- **Project Planning** defines the project scope, quality, timeline and cost. It also determines the appropriate organization of resources and assigns responsibilities for project tasks.
- **Phase Planning** tasks update project plans and procedures for the phase.

- **Phase Control** tasks execute concurrently with the phase execution. They perform project monitoring, directing, and reporting functions.
- **Phase Completion** tasks conclude and secure sign-off of a phase.
- **Project Completion** results in the satisfactory conclusion of the project and settlement of all outstanding issues prior to shutting down the project.

Figure 8 illustrates the relationship between the process and life-cycle activities in PJM:

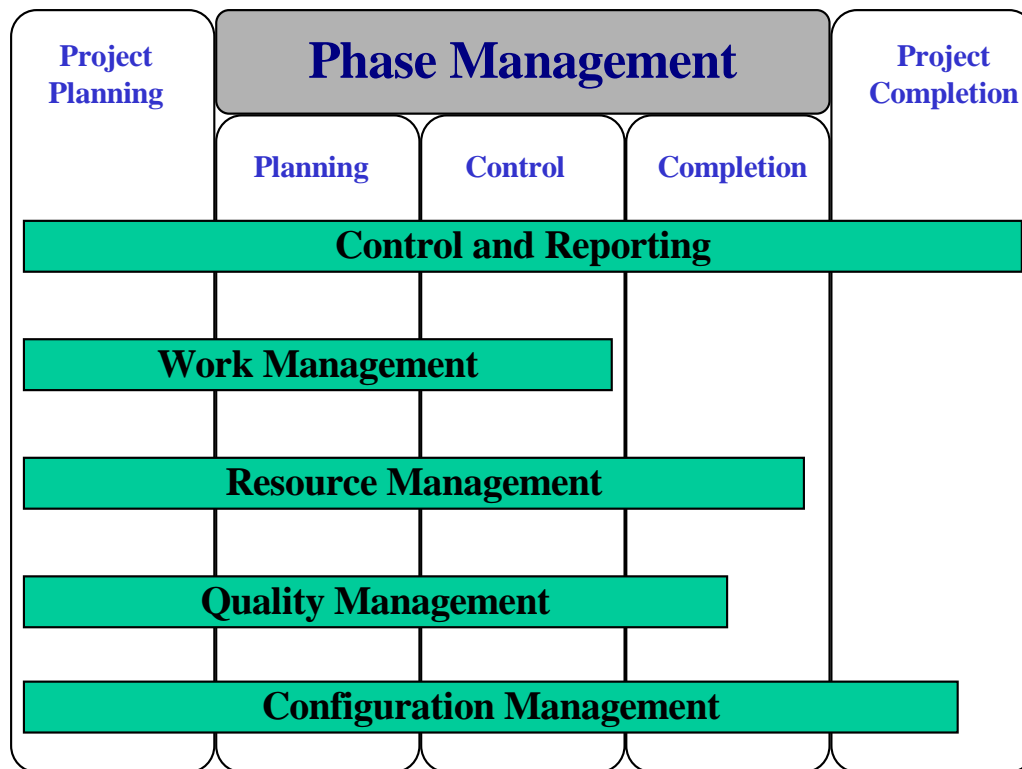


Figure 9: Project Management Life-cycle

Figure 11 shows MPM and its relationship with ManageIT. MPM life-cycle activities are integrated into the project plan at the appropriate project and phase levels. Project planning and completion activities are performed once at the beginning and end of a project, while phase planning, control, and completion are performed once for each phase of the project. MPM dependencies do not appear on the critical path.

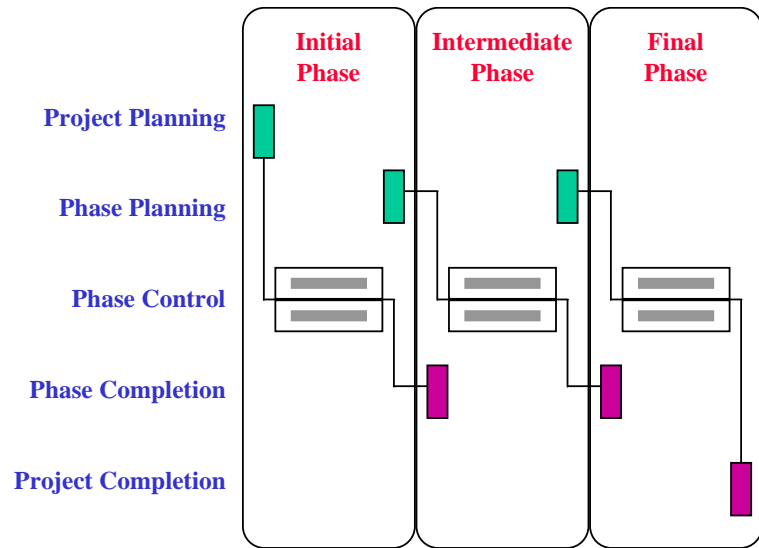


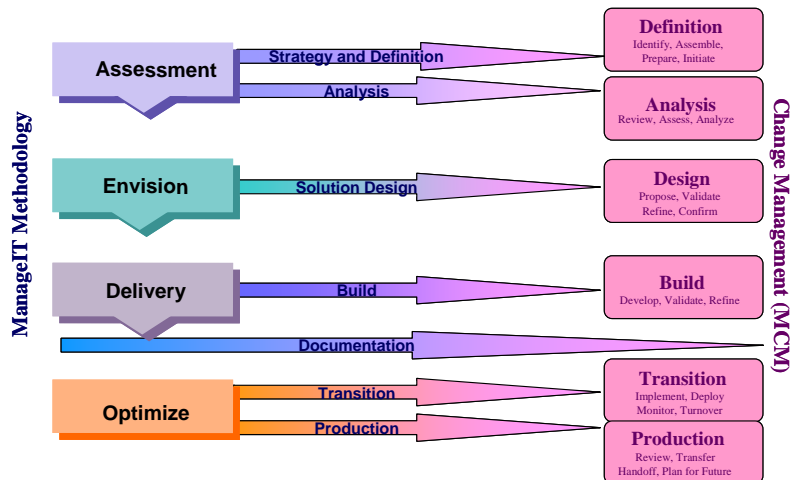
Figure 10: Managing an ManageIT Project

MCM Overview

Decision Interface’s Change Management Services works with the Decision Interface’s implementation team on an engagement to perform a series of logical steps: assemble a project team of Decision Interface and in-house personnel, establish clear goals for successful implementation, develop an action plan in line with business objectives, announce the plan to all to ensure that everyone is committed to the common objectives, measure progress in resolving issues, and adjust future activity accordingly.

Throughout the engagement, the diagnostic, design, and implementation skills from the Decision Interface team will be transferred to the implementation team. This is in direct alignment with Decision Interface’s primary directive *to leave the client self-sufficient and fully equipped to manage any future changes or implementation efforts.*

Decision Interface’s methodology combines leading-edge theory advancements in organizational change from Stanford University with the tried-and-true practical processes of the ManageIT methodology. As the diagram illustrates, the MCM methodology and ManageIT map directly. Combining the skill sets of both, provides the client with a powerful tool for implementing the client’s selected ERP technology and managing the change caused by this implementation.



The Decision Interface Change Management methodology is a six-phase process beginning with a vision of the future state and its reskilled people, based on Decision Interface’s understanding of how the implementation affects an organization and what it takes to deliver a customer-specific solution. Each Change Management Services project includes the following phases:

Definition examines the project requirements and the environment in which change will occur. Decision Interface will work with the implementation team to assemble a project team of information technology and end-user community stakeholders and to establish responsibilities for team members. This phase concludes by announcing the project to the department(s) that will undergo change. This phase has a direct link to the ManageIT deliverables from the ManageIT Assessment Phase.

Analysis identifies factors that, if properly managed, will support the successful implementation of Decision Interface technology. This phase assesses how employees currently interact with the technology, defines skill requirements, identifies previously unrecognized areas where the department can improve its effectiveness, and considers readiness and capability to undergo change. A comprehensive survey helps clarify the most important issues. The Assessment Phase of ManageIT also provides direct input to this analysis.

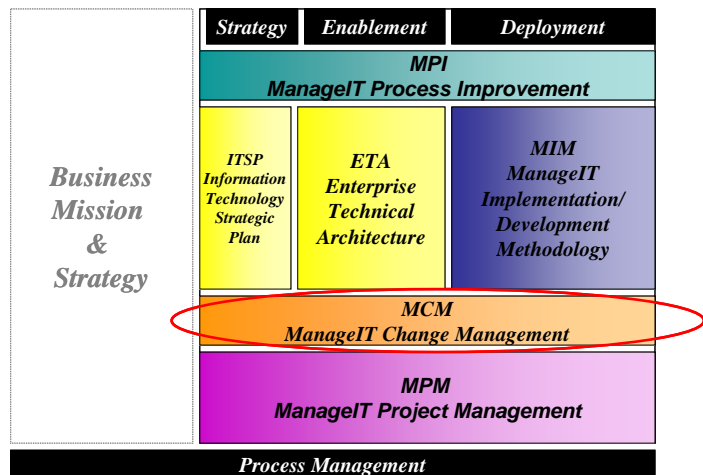
Design includes generating an issue list, determining causal links, distinguishing core issues, creating themes, and verifying the diagnosis. Here, Decision Interface’s methodology is particularly effective in examining the systemic nature of issues and revealing their root causes. Dynamics that can inhibit effective team functioning may become apparent and help the project team grow as a problem-solving unit. This phase concludes with the presentation of recommendations for an integrated change management initiative directly linked to the solution design being developed during the Envision phase.

Build produces the deliverables of the change management plan with specific attention to the client’s business objectives. The plan helps the client focus on areas that offer the greatest potential benefit and systematically links proposed actions to the issues they are intended to solve, ensuring an effective solution.

Transition involves both implementing and tracking the intervention process. The tracking process fine tunes the approach, tasks, and deliverables to address additional issues discovered during implementation. Tracking also provides a historical record to help the client effectively manage future changes.

Production helps the client internalize, freeze, their organization to the Future State. The intent is to systematically monitor ongoing performance and make adjustments/improvements as required.

As illustrated, the MCM methodology is compliant with Decision Interface’s ManageIT² standards and is integrated within the methodology.



² Decision Interface method is the standard structure, format, and presentation that governs all methodologies used by Decision Interface consultants. Compliance with Decision Interface Method standards ensures consistency and smooth integration with other Decision Interface services suppliers.

Final Thoughts

Knowledge is the critical factor of production. A new paradigm is required to manage in this environment. We will and are living in an age of change in which new technology will drive the rate of change in ever faster increments. Implementing new technology brings about changes in all aspects of an organization. The ability to manage those changes is often what determines the success of the overall implementation and the Corporation.

Managers will have five critical tasks in this new paradigm:

1. Transfer ownership of the work to those doing it rather than delegating the work.
2. Manage context rather than people; managers must put in place effective systems, structures and business practices based upon sound enterprise information systems.
3. Coach personal competence.
4. Define value-added tasks from their customer's perspective.
5. Reserve the right to get smarter.

In this 21st century, *managers will lead and workers will manage*. The successful companies must accept change, lead it and manage it. The guidelines developed by Decision Interface in the ongoing quest to develop the perfect work plan for ERP implementation provides the "road map" to both change management and project management in this new millennium.

Appendices

Selected Bibliography

Conner, D.r. and Patterson, R.W. (1981). *Building Commitment to Organizational Change*. Atlanta: O.D. Resources Press.

Conner, D.r. and Patterson, R.W. (1981). *Building Synergistic Work Teams to Cope with Organizational Change*. Atlanta: O.D. Resources Press.

Harrison, R. "Role Negotiation: A Tough Minded Approach to Team Development". In W.W. Burke & H.A. Horntein (Eds.) *The Social Technology of Organization Development*. La Jolla, CA: University Associates, 1972.

Kubler-Ross, E. *On Death and Dying*. New York: Macmillan, 1969.

Lewin, K. (1958). *Group Decision and Social Change*. In *Readings in Social Psychology*. (Ed. E.E. Maccoby, T.N. Newcomb, and E.L. Hartley.) New York: Holt, Rinehart, and Winston.

The Eight Risk Factors

Cost of the Status Quo

Is the cost of change perceived to be greater than the cost of the status quo? What price is the organization currently paying for past implementation failures?

Vision Clarity

How clear is the definition of the future state at a strategic and tactical level? Are people, process and technology requirements of the future state defined?

Sponsor Commitment

How strong is the commitment of those individuals with the power to legitimize the change?

Change Agent and Advocacy Skills

How skilled are the change agents in developing transition management plans? Are they knowledgeable and experienced enough to address the human aspects of change management?

Target Response

How resistant to the change are those individuals who must change the way they work?

Culture/Organizational Alignment

How consistent or inconsistent is the change with the existing culture?

How consistent or inconsistent are the current rewards, recognitions, performance management, compensation, employment and communication mechanisms with the objectives of the change?

Internal/External Organization Events

How prepared is the organization to deal with economic turns, market shifts, regulatory changes; changes in leadership, merger/acquisitions, downsizing that are/will occur in their industry? What events may occur in the near term and how might they affect the implementation of the change?

Transition Management Plan

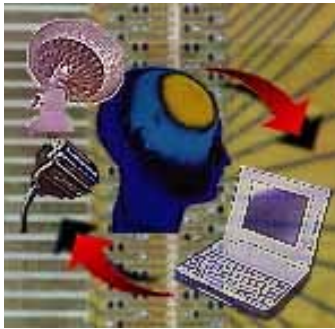
How comprehensive is the transition management plan to manage the people, process and technology?

Strategy Decision Table

Things to **consider** in selecting strategies for implementing change

If	• Then consider this strategy	Consequences	
		Advantages	Disadvantages
A lack of or inaccurate information exists	Educate/communicate in a formal or informal manner. <ul style="list-style-type: none"> • Letters to employees • Publications to those being impacted • Video presentations • Information seminars 	Once persuaded, people will often help with the implementation	Time consuming if lots of people are involved.
Those initiating the change do not have all the necessary design information while those that do, have the power to resist	Involvement of resisters in the design of the change. <ul style="list-style-type: none"> • Task Force • use of subject matter experts • Interdepartmental participation 	People who participate are usually more committed to the change, any relevant information they possess is more likely to surface.	Time consuming, especially if inappropriate change is designed.
People are resisting change due to fears or anxieties	Supportive and helpful. <ul style="list-style-type: none"> • Training • Adding temporary help • Relax standard operating procedures during transition • Field tests or trials • Provide specialists or counselors 	People will recognize their fears and anxieties have been noticed and are being considered.	Time consuming, expensive and may not work.
A group stands to lose something as a result of the change and they have the power to resist.	Negotiation and reaching agreements. <ul style="list-style-type: none"> • Incentive systems, benefits, etc. • Provide option to modify change to some degree • Written agreements that can be publicized if need be 	Easy way to avoid resistance.	Expensive and alerts others to the possibility of negotiating their dislikes.
Alternate approaches are too expensive and the desired one has not as yet worked.	Use: Development Tests Pilot Tests Field Trials Cut-over Tests Parallel Trials	Ensure final results and debug system.	Costly, time consuming, delays “go live” date
People aren’t sure the “change” will work.			
Speed is essential and the change initiator has considerable power.	Explicit or implicit coercion (mandating) <ul style="list-style-type: none"> • Edicts from top management • Threats of loss of position, money, job, benefits, advancement, etc. • Forced transfers, dismissals, demotions, relocations, salary cuts, etc. 	Speed can overcome any resistance	Risky - angers people
Other (describe) The changes will significantly change the organization	Design transitional system and incorporate into project plans.	Maintains organization outputs. During change provides stability.	Additional design time required. Increased amount of total change.

Organization Change Management



DECISION INTERFACE OFFERS A SYSTEMATIC, INFORMED APPROACH TO CHANGE MANAGEMENT – ONE THAT HELPS YOU MANAGE THE SMOOTH, EFFECTIVE INTEGRATION OF ERP TECHNOLOGY INTO YOUR BUSINESS ENVIRONMENT AND ENSURES A SUCCESSFUL TRANSITION TO A NEW WAY OF DOING BUSINESS.

Introduction

MCM is chartered with helping organizations make a smooth technology transition during any ERP implementation. We do this through five services lines:

- 1. Organization Assessments** - We use survey tools and interviews to determine “where” an organization is in their ability to change. Some are very ready, whereas some are extremely resistant. Knowing their resistance helps the implementation consultants do their job more effectively, as well as allowing management the insight to make positive changes during the implementation.
- 2. Communications** - We develop communication models for entire organizations, but mostly specific to the implementation taking place. Many times, the end users are blindsided about an implementation when the training begins -- they are never given the context, process, and information detail about WHY the implementation is occurring. We conduct audience analysis to determine what kinds of communication will be helpful in overcoming resistance, and then actually implement a communication plan to deliver the vehicles.
- 3. Human Performance and Development** - With the implementation of ERP technology, many of the processes for individual workers will change significantly. This affects job codes and descriptions, compensation, organizational structures, hiring profiles, etc. In MCM, we provide the tools to point out the gaps and the expertise to make the appropriate changes.



Figure 11: MCM Service Lines

4. **Custom Training** - MCM is positioned to assist in the education of our clients. We were “born” doing custom training implementations. Our training engagements were tailored toward “Role Based Training” in which the gaps defined during some of your Assessment phase, determine the skill gaps between current processes and new processes necessary due to the implementation.
5. **Executive Development** - We prepare executives in organizations for implementing major changes that generally makes the transition go more smoothly for everyone. This is done through one-on-one mentoring, our understanding of changing organizations, and executive workshops.

Case Studies

The following case studies provide a snapshot of performance support interventions led by Decision Interface’s consultants.

Case Study #1: Organizational Restructuring

A Federal Government agency, whose personnel budget has been severely cut, must undergo a complete organizational restructure of the department. The agency asked Decision Interface to facilitate the restructure.

To begin, Decision Interface organized an oversight committee of 12 individuals from through-out the department, with representatives from each work area. This group met regularly to discuss the project and were final arbiters in the organizational decisions presented to the client. Consultants oversaw interviews of most people from each work area to document work flows and determine best practices and possible process improvements.

We led the Oversight Committee through workshops on organizational systems and then conducted facilitated sessions in insert the departmental work processes into an appropriate organizational structure. At the request of department management, three different structures were proposed and presented to the agency heads.

Case Study #2: Workforce Planning

The Worldwide Customer Service department of a Fortune 100 software company begins a Developing and Leveraging Competencies Initiative. They ask Decision Interface to contribute to the initiative to transform the support workforce into an enabler of the company’s strategic intent.

Decision Interface developed a Workforce Planning model intended to be used to determine long-term needs within the department by defining current state and future state competencies within the organization and planning an efficient workforce around the designated competency and skill requirements.

Results delivered from this initiative were:

- Gaps in workforce competencies, in the roles required to meet current customer needs, were identified and addressed through training, leveraging of partner competencies, and selective hiring.
- A process, directly tied to the performance management system, was institutionalized that continually refreshes the three year competency roadmap on an annual basis and was used to drive workforce competency investment plans for existing and emerging roles.

Case Study #3: Transition to Performance Consulting

A large public utility company undertakes a massive re-engineering of customer processes and replacement of all major information systems in order to rapidly improve customer service and better compete in the deregulated utilities industry.

The company asks Decision Interface to provide strategic communications, change management, and team building support to the business and technical staff leading this effort. In addition, they ask Decision Interface to help them transform their training organization into a “Performance Consulting” function that fully prepares each of their employees to deliver superior performance and customer service.

Decision Interface developed and launched strategic and tactical communications campaigns, as well as numerous change management, team building and executive effectiveness programs.

Decision Interface began the Performance Consulting transformation by developing a solid foundation of competency models, training models, and leading-edge instructional tools for the existing training team, including the design, development and implementation of:

- Custom-developed training methodology that fully integrated with the software development methodology used by the company and met the unique skills, cultural and learning needs of its people.
- Assessment strategy and tools that ensured full “readiness” for change and the careful synchronization between and among the company’s people, processes and technology.
- Custom-developed measurement strategy and tools that enabled the company to determine learner effectiveness and measure the return-on-investment of training at every stage of the change process – including a clear determination of how specific training initiatives affect long-term employee performance and thus, contribute to customer loyalty.

With this solid foundation and a continuous focus on skill-building and knowledge transfer, Decision Interface developed and implemented:

- Strategic vision and organizational structure for new “High-Performance Learning Center” (HPLC) using the company’s “performance consulting” model.
- Characteristics of the model include:
 - ✚ Flatter, horizontal reporting structure that are organized around customer processes
 - ✚ Emphasis on establishing and maintaining consultative relationships
 - ✚ Collaborative relationships with outside suppliers for highly-skilled, focused services
 - ✚ Smaller number of highly-skilled, more technical HPLC staff
 - ✚ Continued focus on quality, measurement, ROI, and continuous improvement
 - ✚ Continued introduction of more flexible technologies with multimedia, interactive, reusable, learner-centered characteristics
 - ✚ Continued use of formalized change management processes (e.g., readiness assessment, skills/performance readiness, etc.)
- Detailed budget, timelines, and work plan for accomplishing the HPLC transition.

Detailed competency models, skills assessment, and ongoing performance coaching that enabled the current staff to successfully transition to the new “performance consulting” organizational model.

The Challenge of Change

As information tools evolve faster than most companies can absorb them, businesses find themselves in a constant state of organizational change. The mass migration from mainframe, legacy systems to distributed, open, client/server environments through internet/intranet enabled environments has wrought massive changes in the workplace that affect every level of the organization.

When the transition to a new way of doing business is not well managed, it can have serious business implications that manifest themselves during implementation and beyond.

For example, if people in your organization do not understand or do not agree with the need for the change – or have had bad experiences with system changes in the past – they may see new systems, processes, and procedures as obstacles to resist, overcome, or even sabotage. You may encounter foot dragging, blank stares, “forgetting”, or outright hostility – at any level of your organization – that will hinder your transition from the old system to the new one, and impede your ability to do business effectively.

To overcome these challenges, the organization must be restructured and readied for change.



Decision Interface offers an integrated set of measurable services to facilitate an efficient, intelligent transition to the new technology. Whether your goal is to re-engineer your business, migrate to an open client/server environment, take advantage of the flexibility of the internet or install new ERP applications, Decision Interface can help chart a course to get there, and guide you through the rapids of this journey.

ManageIT Process Improvement / Decision Interface

TO ACHIEVE SIGNIFICANT RESULTS, PROCESS IMPROVEMENT (MPI) MUST BRIDGE THE GAP BETWEEN STRATEGY AND EXECUTION CAPABILITIES. DECISION INTERFACE MPI DELIVERS RESULTS BY RAPIDLY PROVIDING YOU WITH EFFICIENT, FLEXIBLE PROCESSES AND TECHNOLOGY SOLUTIONS TUNED TO THE ERP APPLICATIONS THAT SUPPORT YOUR STRATEGY.



The MPI Challenge

When you reengineer your company you have one goal – creating a competitive edge. To create that competitive edge, you need to go beyond articulating your corporate mission and strategic goals. You have to support your strategy with an infrastructure of effective and flexible processes and systems that provide the operating foundation for the business. And you need to continually build and adapt this operating foundation to the shifting business objectives.

In building this foundation many “soft” issues, such as organizational resistance, can make the reengineering process challenging. At the same time, “hard” issues such as building a world-class operating infrastructure are equally critical.

Too often there is a disconnect between the strategy and the related organizational infrastructure. Connecting these two elements is difficult. It requires a strong perspective on leading business practices, an in-depth understanding of advanced information technology, and proven techniques for developing working solutions. Decision Interface’s team bridges the gap between business and technology, creating effective, technologically-enabled processes that support the business strategy and map to an ERP constructs.

Getting Results Quickly

Reengineering often takes too long to deliver results. This is because the traditional reengineering process has been divided into sequential phases – strategy, design and implementation – with different teams of specialists conducting each phase of the engagement. Business Process Reengineer (BPR) providers have followed this sequential path systematically, carefully evaluating the results of each phase before

proceeding to the next step. Unfortunately, this approach can be inefficient, expensive and slow.

Problems also arise when different teams work on different phases of the process because transition points inevitably lead to disconnects, delays, duplication of work, and ultimately less than satisfactory results. If, for example, the strategy team doesn't understand the full potential or constraints of delivering the solution, the processes they recommend will have to be designed during the implementation phase. This causes delays, during which time business goals may change. After years of reengineering, a company could find itself saddled with business processes based on out-dated technology or designed to meet strategic goals that are no longer relevant.

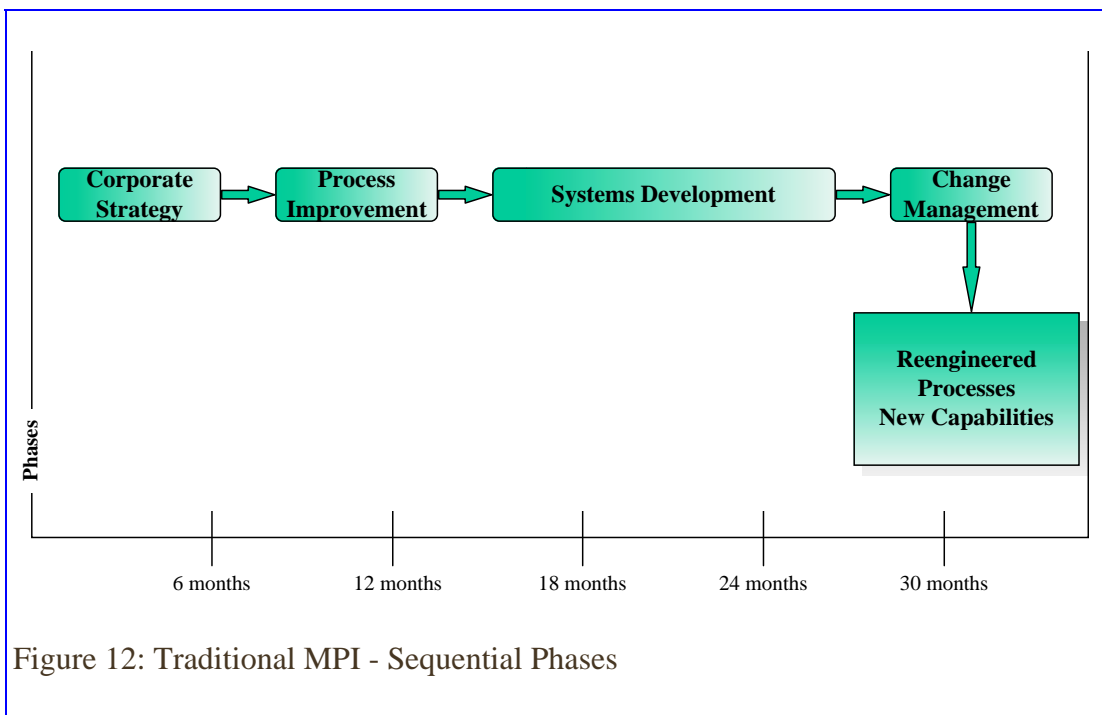


Figure 12: Traditional MPI - Sequential Phases

The Keys to Success

Decision Interface's MPI team has worked with leading organizations designing processes and systems that improve productivity and product quality, enhance customer relations, and increase speed and agility in key areas of their business. We have found that project continuity and rapid implementation are crucial to the success of a process improvement effort.

Some practitioners can spend months developing an "independent" perspective on a company's current operations. Decision Interface's MPI approach is to assemble integrated teams with an intense focus on results. We bring skilled resources that can handle the entire process, from design through implementation. This continuity builds

institutional momentum for dramatic improvements, eliminates unnecessary delays, and helps assure that you achieve your business goals quickly and efficiently.

Decision Interface has developed several techniques for speeding the MPI process by conducting the design and implementation phases concurrently. We can do this because we begin each engagement with a vision of the reengineered company. This vision is based upon our understanding of what it takes to deliver a company-specific solution. We already know what range of hardware and software systems will work. We have developed pre-defined workflow diagrams, job role definitions, and policy statements based upon dominant process designs. We use implementation techniques that have worked for leading companies.

Our concurrent approach accelerates benefits and implementation time by up to 50%. The design and implementation phases become a continuous stream of activities with ongoing feedback and revisions. This places the company at the forefront of its industry

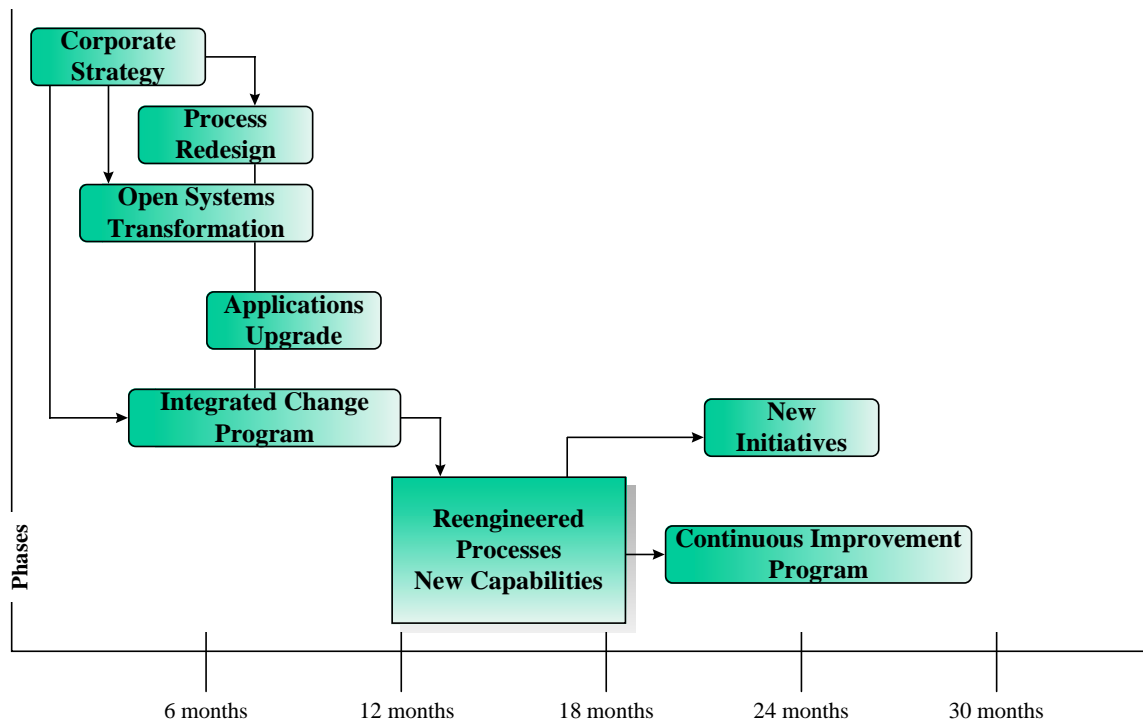


Figure 13: Decision Interface MPI - Concurrent Phases

quickly with much less risk of falling short.

Proven Capabilities

Decision Interface's MPI team has tailored its approach to meet our clients' needs for fast, effective results with a minimum of risk. These specialized capabilities give our team a number of competitive advantages.

Rapid Implementation

You want results fast so our team continually strives to deliver on-target results in the least amount of time possible. We don't cut corners. *We work smarter, not harder* -- leveraging dominant process designs, tools, and ERP technology to develop and implement solutions to meet your objectives.

Broad Technology Expertise

Decision Interface's position as a leading provider of information technology solutions gives our clients a tremendous advantage. In addition to our in-depth understanding of ERP applications and open systems environments, we constantly track emerging technologies such as multimedia and parallel processing to determine how they might be used to create business advantages.

Industry Experience

Our staff has worked in a wide range of vertical industries. In every engagement we track changing business priorities, build our understanding of the industry's needs, and create specialized applications to meet those needs.

Change Management Skills

For new business methods to take root and thrive, change management must be incorporated into every phase of the reengineering process. Our methodology addresses skill assessment and development, incentive structures, company culture and other key aspects of individual and corporate behavior.

Automated Tools and Techniques

When companies first experience the power of MPI, they inevitably want to accelerate the process. Our MPI team is constantly refining tools to meet this need. These tools facilitate the reuse of proven solutions, accelerate the development of new solutions, rapidly generate pilot and work flow prototypes, and ensure consistent delivery.

Complete Solutions

Decision Interface provides the advanced information systems and business consulting services a company needs to compete successfully in today's competitive business environment. From implementing and integrating new systems and business processes,

to optimizing the performance of an existing system, Decision Interface has the resources to quickly deliver a complete solution.

Decision Interface's MPI team bridges the gap between technology and business, delivering advanced information systems and implementing business processes to help you achieve your performance goals.