

## Five Techniques to Set Expectations and Manage Change

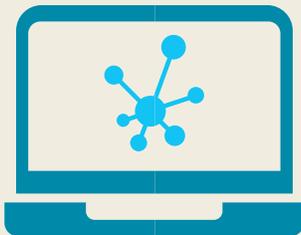
When undergoing a transformative digital initiative at your manufacturing company, setting proper expectations within the project team—as well as with all employees—is a very important step that your company should consider.

Replacing an ERP system represents a significant company-wide change that all employees will experience. Prior to starting, using proven change-management techniques will go a long way in helping everyone adjust to the change, minimizing disruption, and mitigating change resistance.

If users are prepared ahead of the go-live event and understand that there will be interruptions in their typical day, they are less likely to reject the system if something does not go according to plan. On the other hand, telling staff that this is going to be a “great new system” with “no problems” can only lead to disappointment and possible rejection when challenges arise.

Change management is a measurable process. With good change management practices, a company can evaluate how its employees feel about the changes over time and how they shift in their expectations. Many techniques are designed to forecast and mitigate stakeholders’ resistance to the change. Some examples include:

“Most ERP projects require an intense focus on change management. This means conducting several business readiness assessments and/or focus groups to understand employees’ pain points and using creative tactics to engage employees throughout the project.<sup>1</sup>”



Organizations surveyed after completion of an ERP implementation reported higher degrees of difficulty managing process change and organizational change than managing the technical aspects of the project.<sup>2</sup>



**Define project success criteria**—This can include defining measurable goals and key performance indicators—many of which were used when creating the business case for moving to the new ERP solution.



**Perform an infrastructure analysis**—This is done to determine all requisite human, technological, and other resources that should be available to the core team to ensure the project’s success. Once these are determined, the team should continue to monitor assumptions, risks, dependencies, costs, return on investment, and cultural issues affecting the progress of the associated work. As the project progresses, they can make the necessary changes to areas that can affect its outcome.



**Design a communication plan for stakeholders**—The communication plan informs various stakeholders of the details and reasons for the change. It highlights the benefits stakeholders can look forward to as a result of the change. One good method is to release newsletters or hold meetings for the implementation team and other stakeholders on a regular basis with updates on the project’s progress.



**Develop a plan to create enthusiasm and gain project momentum**—This can include fun or creative activities to motivate stakeholders and a training plan to ensure stakeholders have the support they need to be successful with the change.

# Communicating About Change



Present the change to your employees by explaining the current state, the expected benefits after the change, and why those benefits are an improvement on what you have now.

Tips on how to communicate about the change:

- ▶ Clearly explain why the change is important
- ▶ Align the change to the strategy of the business
- ▶ Align the change to the IT component of the business strategy
- ▶ Define the urgency of the change<sup>3</sup>

**Leverage executive sponsors**—Having an executive sponsor highlight the project's importance is key to overall project buy-in from the stakeholders. It can also help counter any resistance from employees and align them to the organization's overall strategic direction.

No matter how much training and preparation takes place before the change, it cannot prepare everyone. There are always a few outliers who still do not feel ready for such a change. Others will embrace the new system and see its positive features immediately. These people were most likely frustrated with the system they were using previously. They tend to jump at the chance to make use of the new technology and may be recruited to become "super users" who can train others and potentially even win over any outliers as the project moves forward.

A strong implementation partner can educate the company on possible implementation challenges and develop proactive strategies to overcome resistance to the change and promote a quicker return on investment.

Contact Epicor Software to start your business transformation with Epicor ERP.

<sup>1</sup>2019 ERP Report: People | Process | Technology, Panorama Consulting, 2019.

<sup>2</sup>2019 ERP Report: People | Process | Technology, Panorama Consulting, 2019.

<sup>3</sup>How to Create a Powerful Organizational Change Management Storyline, Gartner, March 8, 2018.

## About Encompass

Encompass Solutions is a business and software consulting firm that specializes in ERP systems, EDI, and Managed Services support for Manufacturers and Distributors. Serving small and medium-sized businesses since 2001, Encompass has helped modernize operations and automate processes for hundreds of customers across the globe. Whether undertaking full-scale implementation, integration, and renovation of existing systems, Encompass provides a specialized approach to every client's needs. By identifying customer requirements and addressing them with the right solutions, we ensure our clients are equipped to match the pace of Industry.

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