



# Change Management

## Investment Management and Business Case Improvements

### Background

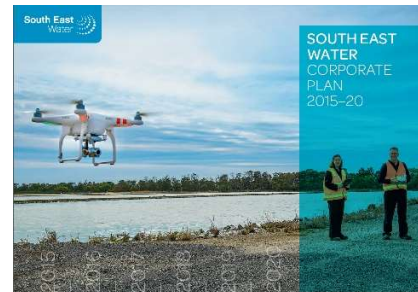
The project for a Victorian water company was to improve their processes for business case development, to align with the Victorian Department of Treasury and Finance 's Investment Management Standard (IMS) and to make it easier to create, manage and track benefits.

Our role was to coach and mentor the Business Improvement Team to develop a Change Management Program to imbed improvements and implement the IMS.

A Business Readiness Assessment was undertaken to determine the current state and then offer coaching and advice on business development and management.

The following areas were evaluated:

- IT Systems
  - What IT changes were required, including reporting, business case forms, workflows etc?
- Processes
  - Current processes and future processes
  - The actual changes required and training and support requirements
  - Alignment and gaps between company processes and the IMS
- Behaviours
  - Changes to behaviours e.g. benefits first, improved quality, smaller business cases which need to include evidence, how to implement digital signatures
  - An assessment of each area and the extent of change required
  - An assessment of stakeholders to identify champions, distractors, resisters, anticipated issues etc.
- Policies and Procedures



### Services we provide ...

- Benefits Realisation
- Business Improvement
- Process Management
- Strategy and Planning
- Business Case Development
- Mentoring
- Project Management
- Change Management

- A review of policies and procedures including delegated authorities to determine changes

### Strategic Change Drivers

The following strategic drivers were identified as the main reasons for the change:

- It was unclear if the business cases were actually delivering benefits or if the capital investment was targeted at the right areas
- Managers and other staff involved in developing business cases could not easily see other business unit's business cases. This led to a siloed approach to investment
- Being paper based, the business case process was onerous and took too long to obtain endorsements and approvals



The organisational impacts of the changes were that business cases could now be accessed by all relevant staff and the quality and benefits of the business cases would be more exposed. Substantial training was required to implement the changes, overcoming staff anxiety about the changes and ensuring there was accountability to deliver the benefits.

### Planning and Management

We then worked with the Business Improvement Team and in many cases were actively involved in:

- Presenting to the senior executive to gain sponsorship and approval of the initiative
- Collecting evidence of the problem and the impact
- Evaluating the current 'As Is' state, including issues and improvement opportunities and designing the future 'To Be' state. These were used to determine the processes and technical changes required
- Designing training programs and working with the Change Manager and subject matter experts to deliver training
- Conducting executive presentations to continually seek 'buy in'
- Working with the Executive Sponsor to develop the vision/goals etc.
- Working with the Business Improvement Team to develop the future state
- Working with the IT Department to develop the new business case system, including developing prototypes
- Coordinating benefits realisation sessions and working with business case writers to ensure they understood the changes

- Working with the Sponsor and Senior Managers to manage resistance
- Conducting awareness sessions for staff
- Developing a Benefits Realisation Plan for the business case changes

### **Business Change**

A Business Readiness Assessment was conducted in the following areas:

#### **Process changes**

The current process was documented using the SIPOC methodology and workshops held with stakeholders to design the future state. The extent of change was assessed to determine if the desired state was too great a change. As a result, the changes were implemented in two stages and then a continual improvement program put in place.

#### **IT system changes assessment**

The current paper- based system was reviewed to determine how easy it would be to emulate using off the shelf programs or to develop internally using SharePoint forms. The decision was to use SharePoint forms as this enabled the company to make improvements as required and to implement each stage.

#### **Policies and procedures**

Policies and procedures were reviewed to ensure they align with the proposed changes.

An example of this was in determining how to implement financial delegations. We spent time in discussions with other State Government Authorities and Departments to understand how they managed financial delegations. There would have been considerable software developmental work needed to align the new Business Case System with current financial delegations, so the decision was made to give staff the responsibility to ensure the delegations were appropriate.

#### **Behaviours related readiness**

There were several behavioural assessments that needed to be conducted.

The main ones included:

- Staff needed to ensure that they only approved business cases in-line with their financial delegation
- Previously business cases could not be seen by a wider audience. An assessment of the change indicated it would cause anxiety as the quality, cost and benefit would be exposed. Work was done to train staff and support on these issues

- The business case owner would be accountable for the benefits and these could now be tracked and reported to the executive and board as required