People & Change – Strategies for Success

2014 1st Quarter Meeting & Vendor Fair: IHRIM

Jasmine Langevine, Senior Associate

March 2014
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People and Change

Introduction

**Background**
Jasmine is a Senior Associate in KPMG’s People & Change Advisory practice. She has a background in Managerial Economics and Organizational Psychology with experiences in human resources, talent management, training design, development and delivery and HR organization design and development.

**Professional and Industry Experience**
Prior to joining KPMG, Jasmine worked with a global leadership development and assessment firm. She has experience helping organizations design and implement performance management and leadership development solutions for high potential & vital many employees. Key experiences include:

- Conducted talent assessment of organization’s top leaders to identify promotion opportunities to c-suite role. Analyzed in-depth interview data results to indicate leadership competency skills at both the individual and corporate levels. Delivered a comprehensive leadership competency review enabling company to have clear insight into bench strength of organization’s current and future leadership.

- Conducted assessment of global leadership development program for Fortune 500 healthcare organization. Directed project to improve leadership training for HR Managers to navigate and manage change in manufacturing locations. Lead initiative by performing skills gap analysis, interviewing key stakeholders, designing questionnaires, utilizing lean manufacturing methodology for qualitative/quantitative data analysis, communicating key findings and recommendations and suggesting future steps to leadership.

- Served as Project Manager for organization wide improvement initiative in US headquarters of international sporting goods retailer. Managed four work streams of executive level leaders and delivered weekly suite of Management Reports.

- Devised multi-step process to streamline on- and off- boarding processes of contractor and union employee population for leading industry media conglomerate. This was achieved by conducting stakeholder analysis, illustrating existing process, identifying broken transitions, utilizing strategic process mapping methods to integrate systems and relevant tools and creating a charted time line for implementation of revised process. Also organized transition plan to execute new process in the following quarterly alignment initiative.

- Supported large media company with virtual restructuring in Oracle HR platform to better track employment status and managerial assignments for thousands of contractor employees. Worked closely with HR team to conduct risk analysis for first round restructure, cross referenced multi-department job titles to create new virtual divisions in Oracle HR and helped define functional roles and responsibilities to support reorganization and ultimately reduce limited oversight of the population.

- Consulted with clients of global leadership development/HR firm to design and sell $500K in tailored development and talent management solutions. Worked with clients to assess company’s development culture and customize blended learning solutions to increase employee effectiveness, training and development. Partnered with HR executives beginning at sales proposal stage to identify and select target audience, organize 360 and simulation based assessments, create division-wide strategic communications, design execution plan for sustainable development initiatives and devise post-implementation measurement strategies.
People & Change Overview

KPMG Provides Solutions For Your Change Journeys

Organization Design for Performance (ODP)
- Target Operating Model
- Detail Design

Talent Management (TM)
- Strategic Workforce Planning (SWP)
- Strategy, Solutions, Infrastructure

Behavioral Change Management (BCM)
- eBrainstorming
- U-Collaborate

HR Optimization (HRO)
- HR COE

Our client’s transformation, reorganization and development challenges
People & Change Overview
HR Technology Capabilities Overview

**World Class HCM practices with more than 500 professionals in the U.S.**

**Global HR Transformation Center of Excellence**

**More than 150 HR Technology Transformations over the past 10 years**

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**Oracle Fusion & Taleo**
- Oracle Platinum Partner
- Credentialed Fusion Application Professionals Globally
- Fusion Implementation Certified (Rapid Start)
- First Live Core HCM customer in the Americas
- Global Infrastructure of Fusion Middleware and Business Intelligence experts

**Oracle PeopleSoft**
- RapidSolution™ method used on more than 100 PeopleSoft Upgrades over the past decade.
- First HCM 9.2 upgrades
- First to implement v8.9, v9.1 and v9.2
- Oracle’s exclusive PeopleSoft partner for release of PeopleSoft 9.2

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**Certified Workday Implementation Partner**
- Robust Workday HCM Toolkit with proprietary configuration guides
- Integration with Workday Finance capability and KPMG’s leading Finance Transformation practice

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**HR Outsourcing**
- Ranked #1 in Shared Services and Outsourcing Advisory
- World Class People & Change Practice with more than 200 professionals in the U.S. and more than 500 professionals globally
- Global HR Center of Excellence

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**World Class People & Change Practice**
- More than 200 professionals in the U.S.
- More than 500 professionals globally
- Global HR Center of Excellence

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**SAP SuccessFactors**
- Experience with Global HR, Payroll, Benefits, Employee and Manager Self Service, Compensation, and Performance Management
- Credentialed SAP Professionals Globally
Change management solutions need to be customized through the lens of each situation. The path to the solution should be based on:

- **Readiness for change** = “What is the organization’s general capacity to embark on change?”

- **Magnitude of change** = “How big and complex is this specific change for the organization?”
**Change Derailers…**

Of the items listed below, rank order what you believe are the reasons cited for failure of major change projects.

<table>
<thead>
<tr>
<th>Rank Order</th>
<th>Reasons Change Fails</th>
</tr>
</thead>
<tbody>
<tr>
<td>#?</td>
<td>Unfeasible Timeline</td>
</tr>
<tr>
<td>#?</td>
<td>Staff Turnover</td>
</tr>
<tr>
<td>#?</td>
<td>Communication Breakdown</td>
</tr>
<tr>
<td>#?</td>
<td>Employee Resistance</td>
</tr>
<tr>
<td>#?</td>
<td>Cost Override</td>
</tr>
<tr>
<td>#?</td>
<td>Insufficient Training Time</td>
</tr>
</tbody>
</table>

**Your experience with organizational change…**

What are some additional challenges not listed above you have experienced when going through organizational change?
Driving sustainable change is difficult …

Efforts to drive strategic change in organizations can fail when leadership does not proactively and tactically address the people and organizational transitions associated with transitioning to the new state.
## Change Management Overview

### Key Change Management Components

<table>
<thead>
<tr>
<th>CM Work Stream: Leading Practices</th>
<th>Organizational Readiness</th>
<th>Stakeholder Management</th>
<th>Communications</th>
<th>Organizational Alignment</th>
<th>Workforce Transition &amp; Training</th>
<th>Individual &amp; Team Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case for Change</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= LASTING CHANGE</td>
</tr>
<tr>
<td>Clear Vision</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Action</td>
</tr>
<tr>
<td>Guiding Architecture</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Direction</td>
</tr>
<tr>
<td>Leader and Stakeholder Commitment</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Ownership</td>
</tr>
<tr>
<td>Effective Communication</td>
<td>-</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Role Models</td>
</tr>
<tr>
<td>Cultural Fit</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Knowledge</td>
</tr>
<tr>
<td>Performance Measures</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= Not Lasting</td>
</tr>
<tr>
<td>Reinforcement</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Reinforcement</td>
</tr>
<tr>
<td>Willingness</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>= No Willingness</td>
</tr>
</tbody>
</table>

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An effective and proactive management of change can dramatically increase the chances of success

- **Business Case For Change:**
  - Provides a common foundation for key items leaders say and do related to the transformation process

- **Vision / Journey Map:**
  - Visually depiction of the chronological progression of major steps necessary to move an organization / business unit / initiative from the current state to the desired end state.
Change Management Tools
Stakeholder Management and Communication

Targeted Communication to All Stakeholders Along the Continuum

- **Fighters**
  - Characteristics: Committed to making change fail, Opposed, Return to "good old days", Threatened antagonists, Silent saboteurs or noisy, open, and confrontational, Active opposition
  - Behaviors: No reason to be involved in making change work, Opposed, Loss of prestige, power, Fear of significant increase in workload, Passive opposition, Behind the scenes

- **Foes**
  - Characteristics: Waiting to be persuaded/convinced changes are good, Opposed, Let it happen, Neutral, Spinning wheels, Looking for signs, Blank sheet, natural at best
  - Behaviors: See change as important, but not essential, Help it happen, Want to succeed, See general interest advantage, Passive supporters

- **Fence Sitters**
  - Characteristics: Committed to making change really work, Opposed, Help it happen, Want to succeed, See general interest advantage, Acceptance of need, Self-interest it being involved
  - Behaviors: Let it happen, Neutral, Spinning wheels, Looking for signs, Blank sheet, natural at best

- **Friends**
  - Characteristics: Committed to making change really work, Opposed, Help it happen, Want to succeed, Acceptance of need, Self-interest it being involved
  - Behaviors: Let it happen, Neutral, Spinning wheels, Looking for signs, Blank sheet, natural at best

- **Family**
  - Characteristics: Committed to making change really work, Opposed, Help it happen, Want to succeed, Acceptance of need, Self-interest it being involved
  - Behaviors: Let it happen, Neutral, Spinning wheels, Looking for signs, Blank sheet, natural at best

20% Ask them what they need to enable them to support the change
60% Keep them informed and build their involvement
20% Engage them as change agents and champions
A customized change management plan should take into account the cultural fit of the change and a performance plan and measures

- **Change Management Assessment:**
  - Assessment of the organization’s inherent risk for each change management element, e.g., communication, leadership, etc., and the suggested action items to incorporate into the overall change management plan.

- **Leadership Action Plan:**
  - A detailed, explicit list of individuals’ specific action items that if executed, will help garner the appropriate degree of support and sponsorship for the transformation.

### ASSESSMENT

<table>
<thead>
<tr>
<th>Area of Focus</th>
<th>Rating</th>
<th>Change Focus</th>
<th>Outcomes &amp; Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>History of Change</td>
<td>Low</td>
<td>Leadership</td>
<td>Increased understanding of the organization’s history and culture.</td>
</tr>
<tr>
<td>Strategic Business Case</td>
<td>Moderate</td>
<td>Leadership</td>
<td>Clear alignment of business goals with the change initiative.</td>
</tr>
<tr>
<td>Change Strategy</td>
<td>High</td>
<td>Leadership</td>
<td>Clearly defined steps for implementing the change management plan.</td>
</tr>
<tr>
<td>Involvement &amp; Alignment</td>
<td>Moderate</td>
<td>Leadership</td>
<td>Increased employee buy-in and support.</td>
</tr>
<tr>
<td>Engagement with Stakeholders</td>
<td>High</td>
<td>Communication</td>
<td>Enhanced communication and engagement with key stakeholders.</td>
</tr>
<tr>
<td>Align Organization &amp; Culture</td>
<td>Moderate</td>
<td>Leadership</td>
<td>Improved organizational alignment and cultural fit.</td>
</tr>
<tr>
<td>Emphasis on Employee Empowerment</td>
<td>Low</td>
<td>Leadership</td>
<td>Reduced resistance to change.</td>
</tr>
</tbody>
</table>

### ACTION PLAN

**Leadership Summary**

- Leadership Role in Enabling Change
- Change Management Processes
- Communication Planning
- Leadership Development
- Change Management Tools
- Organizational Alignment

**Leadership Action Plan**

- **Leadership Action Plan**
  - **Leadership Summary**
    - **Leadership Role in Enabling Change**
    - **Change Management Processes**
    - **Communication Planning**
    - **Leadership Development**
    - **Change Management Tools**
    - **Organizational Alignment**

**Workshop Overview**

- **Leadership Summary**
  - **Leadership Role in Enabling Change**
  - **Change Management Processes**
  - **Communication Planning**
  - **Leadership Development**
  - **Change Management Tools**
  - **Organizational Alignment**

**Leadership Action Plan**

- **Leadership Summary**
  - **Leadership Role in Enabling Change**
  - **Change Management Processes**
  - **Communication Planning**
  - **Leadership Development**
  - **Change Management Tools**
  - **Organizational Alignment**

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A focus on individual & team capability supports the workforce through change.

- Workforce Transition Profile:
  - Articulation of the key job changes by audience, including a view of the relative magnitude of those changes.
  - For deployment, further detail would be developed including a description of key processes, roles and responsibilities, process and technology changes, training needs, current and end state owners, and workforce end/transition dates for each function and/or division.

### WORKFORCE TRANSITION PROFILE

<table>
<thead>
<tr>
<th>Key Activities</th>
<th>Start</th>
<th>Stop</th>
<th>Cont.</th>
</tr>
</thead>
<tbody>
<tr>
<td>View customer information</td>
<td>Review critical roles and data validation field status in online application.</td>
<td>View customer information in regularly used application.</td>
<td>Customer Service view customer partnership relationship.</td>
</tr>
<tr>
<td>Change Customer Information</td>
<td>Add customer billing information and forward request for approvals associated with billing rules.</td>
<td>Add new master address in format.</td>
<td></td>
</tr>
<tr>
<td>Validate Customer Information</td>
<td>Validate in format, when flag in propagated application indicates it is time to validate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Mergers and Acquisitions</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Topic</th>
<th>“As Is” / Current State</th>
<th>“To Be” / Future State</th>
<th>“Helps my job”</th>
<th>“Lifts impact”</th>
<th>“May be a burden”</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Example</td>
<td>The current program is called “ABC”</td>
<td>The next program will be called “XYZ”</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Face to Face</td>
<td>The candidate is reviewed in a one-on-one interview with a senior manager.</td>
<td>The candidate will be interviewed in a group with peers and supervisors.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Email</td>
<td>The candidate is notified of their interview results.</td>
<td>The candidate will receive an email with their interview results.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Training</td>
<td>The candidate must attend training within two weeks.</td>
<td>The candidate will be required to attend mandatory training.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>One-on-One</td>
<td>The candidate will meet with their new supervisor to discuss their role and responsibilities.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Panels</td>
<td>The candidate will participate in a panel interview with other candidates.</td>
<td>The candidate will participate in a panel interview with other candidates.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Client Example
Workday Quality Assurance and PMO Advisory Assistance

**Clients Include**

- T. Rowe Price
- Transamerica

**Workday Quality Assurance and PMO**

<table>
<thead>
<tr>
<th>Large scale Program Mobilisation</th>
<th>Program Governance</th>
<th>Global</th>
<th>IT/Workday</th>
<th>Process Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Our approach**

- KPMG provided assistance to assess the Workday implementation to determine: the completeness and accuracy of the data conversions/migrations from PeopleSoft to Workday, the effectiveness of the configuration management processes and issue management and resolution processes.
- KPMG provided Internal Audit activities relative to the ongoing Workday HR system implementation. Assisted in the establishing an IA program and detailed plan, developed clear metrics for the review of key aspects of the project, provided observations and recommendations during the project lifecycle consistent with leading project governance and management practices, identified risks which would impact project timelines.

**Business challenges**

- Existing HR technology platform was outdated and no longer supported by vendor.
- HR desired to reduce the number of their best of breed offerings by using fewer vendors with more modules and to provide a more consistent user experience.
- Managers have been asking for more information and easier access to it.
- Lack of proper key controls related to operational processes.

**Results Achieved**

- Provided management with a mechanism to confirm that the business and technology strategy goals were achieved as defined by the project charter; included key observations and actionable recommendations.
- Identified opportunities for improvement in issue resolution process and conversion approach.
- Provided confirmation that all relevant data elements in scope were converted and translated appropriately and fed correctly into downstream systems.
- Provided early identification of potential audit, risk and control related issues.
- Assessed whether controls appeared to be designed and configured to help confirm the integrity of underlying financial data and identify potential gaps.
- Assessed that sufficient documentation was retained to support audit requirements.
- Provided a clear view of the risks affecting the project and programs.
Change management must span from the beginning to the end of any transformation.

<table>
<thead>
<tr>
<th>Myths &amp; Mistakes</th>
<th>Success Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complacency</td>
<td>Compelling Need for Change</td>
</tr>
<tr>
<td>Declaring victory too soon</td>
<td>Clarity of Direction</td>
</tr>
<tr>
<td>Lack of Celebrated Milestones</td>
<td>Visible and Committed Leadership</td>
</tr>
<tr>
<td>Not Answering “What’s In It For Me?”</td>
<td>Targeted and Effective Communication</td>
</tr>
<tr>
<td>Conflicting initiatives</td>
<td>Disciplined Program Management</td>
</tr>
<tr>
<td>Mixed messages</td>
<td>Measurable Goals</td>
</tr>
<tr>
<td>Reluctance</td>
<td>Broad-Based Participation</td>
</tr>
<tr>
<td>Not Identifying Who Will Be Affected</td>
<td>Single Program Focus</td>
</tr>
</tbody>
</table>

**Actionable Items:**
- Assess your organization’s history with change
- Assess who will be change champions and potential foes
- Think about the “What’s In It For Me?” component for each audience
Thank You

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