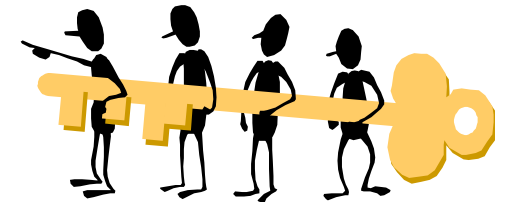


---

# The Balancing Act of Organizational Change

January 17, 2013

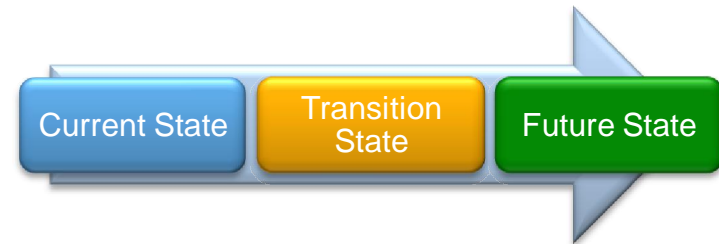


Jeff Freedman, President  
ClearPath Alliance  
858-292-5361  
[www.clearpathalliance.com](http://www.clearpathalliance.com)

# What CEO's Expect & Care About

## What CEOs/Executives Care About:

- " Investors and analysts
- " Their Board
- " Next quarter's results
- " Top line & bottom line growth
- " Expense reduction
- " Regulators



## What CEOs Expect Regarding Change:

- " Focused on driving the P&L
- " Delivers results (on-time, on-budget)
- " Flawless execution (manage risk)
- " Minimal disruption
- " Improve while moving (keep lights on)

---

## Two Sides of Change Management

### Technical Side of Change

- " Processes
- " Technology
- " Structures

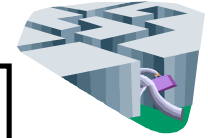
### Human Side of Change

- " Support
- " Knowledge
- " Skills
- " Leadership

***Both are critical to implementation !***

---

# OCM: Organizational Change Management



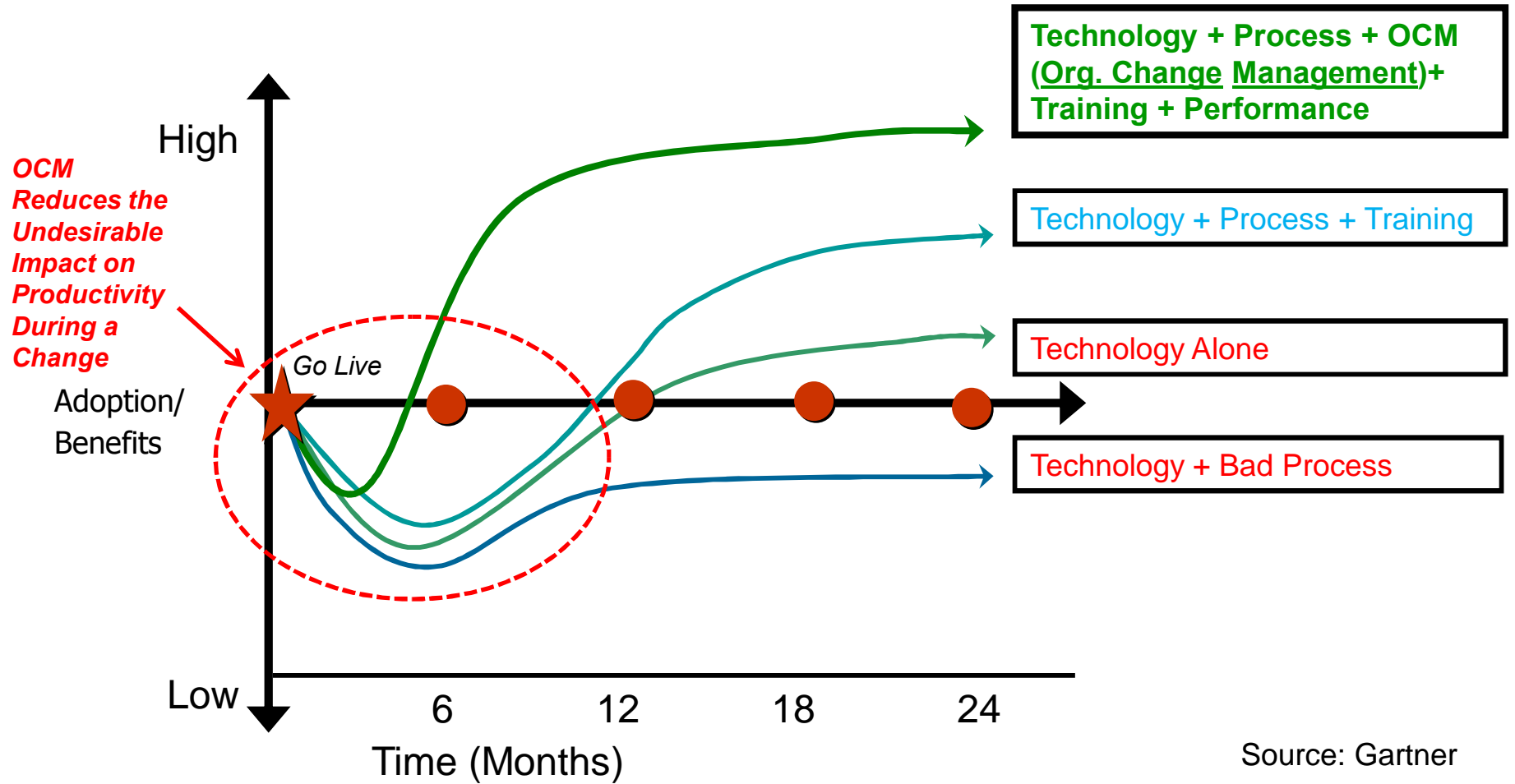
## Objective

1. Execute on business strategy and vision
2. Manage and minimize anticipated disruption to the business
3. Engage, prepare, and support leaders/employees for the change
4. Implement sustainable process (common tools, language, metrics)
5. Capture and sustain forecasted project benefits

## Benefits

1. Enabling growth . while improving project ROI (up to 35%-143%)
2. Improving operational excellence . while achieving faster adoption
3. Accelerating sustainable results . while proactively managing risk

# OCM Benefits: minimize anticipated org. productivity dip

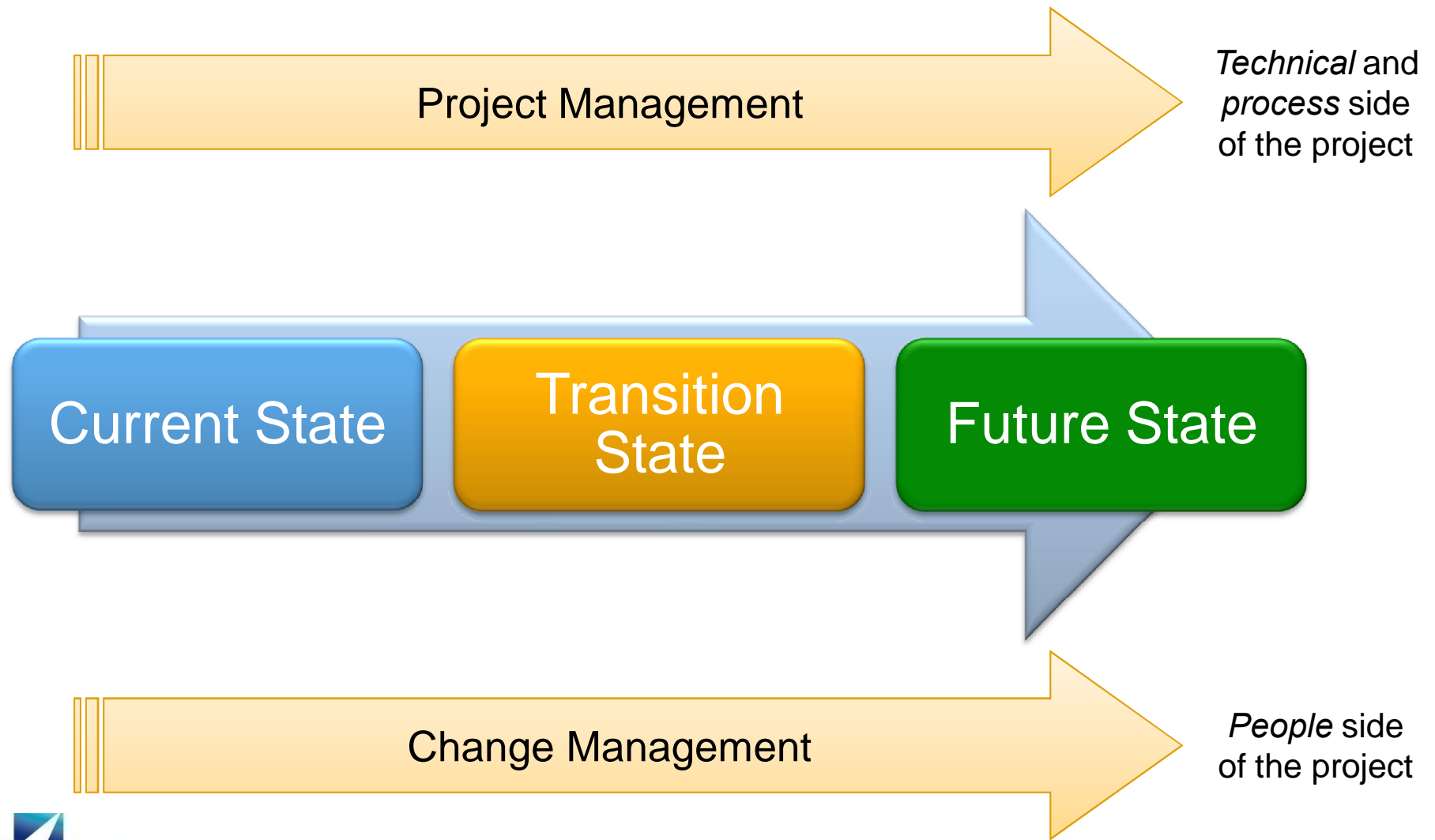


---

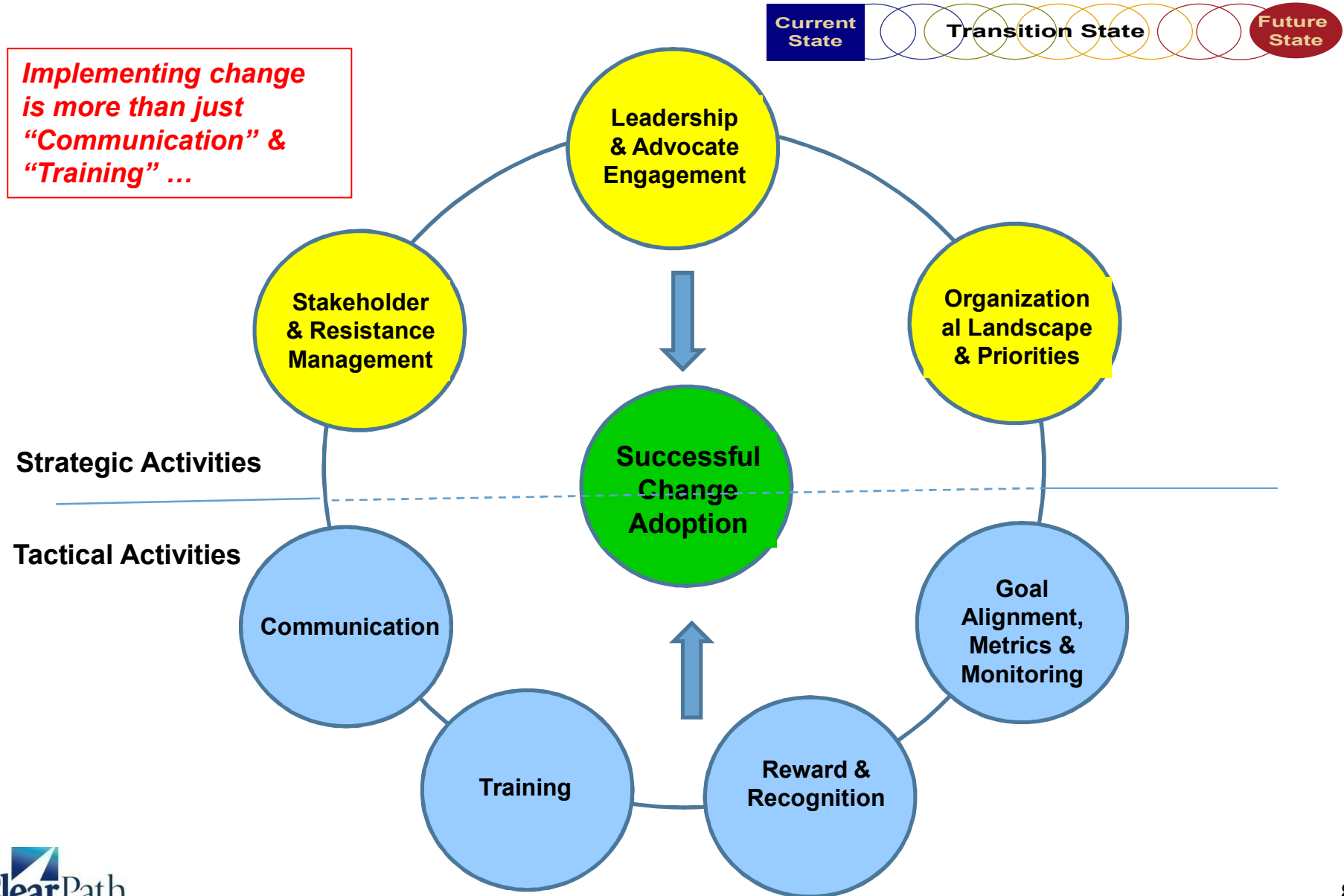
## Rationale for OCM

- 1) Scaling the business for growth, while managing operational risk, and changing ~~faster~~ than competitors!
- 2) Data consistently show a correlation between effectively managing change and meeting objectives.
  - *Based on research from academics, and large consulting firms like McKinsey (2005, 2002), IBM (2008) Deloitte (2006), PWC (2004), & Standish Group (2008), as well others (ProSci 2009, Leadership IQ 2005) ...*
  - *Nearly 70% of business and technology change initiatives fail to deliver intended results!*
  - *Top reasons include: a) no Organizational Change Management approach, and b) poor communication with stakeholders.*
- 3) Managing #1 asset and largest direct expense - people: ~50%+ of 20xx budget is Personnel.
- 4) Improving morale ÷ vs. fostering employee confusion, rumors, and frustration with ongoing business changes.

# Change Management and Project Management



# OCM Key Activity Framework



*Implementing change is more than just "Communication" & "Training" ...*



---

## Summary: OCM

- **Mitigates organizational risks that typically accompany change**
- **Delivers superior project ROI**
- **Helps projects and end-users by:**
  - ✓ Understanding how the work will change
  - ✓ Identifying who will be impacted, and how
  - ✓ Understanding the organizational challenges to gaining necessary stakeholder commitment and developing an approach to meet these needs
  - ✓ Leading individuals and organizations through the transition to productive adoption