Organizational Change Management Powers
Document Information Transformation

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Executive Summary

Transforming business critical document processes is fundamental to achieving top corporate goals such as hitting financial targets (cost savings); fielding innovative products and services; and improving customer support and loyalty.

Some people think of business transformations primarily in terms of technical, IT-driven solutions and processes. Technological tools for managing system changes: like loading and versioning software applications, or upgrading and managing fleets of MFPs and printers, of course can and should be used to remain efficient, increase productivity.

But it is encouraging and managing the change in the working behavior of the people engaged in the processes, from planning and designing solutions through adoption and on-going improvement, which actually make or break business transformations. For the global company in particular, transformation across multiple locations and cultures can be especially challenging.

According to research by McKinsey & Company, about 70% of all changes in all organizations fail. After almost two decades of intense change from corporate reorganizations, new software systems, and quality-improvement projects, the failure rate remains at 70%.

1 How do you get people across the enterprise, comfortable with familiar ways of doing business, to embrace new processes and technologies, so they and the organization as a whole can fully realize the benefits of a transformed business process?

This White Paper examines how the Prosci® ADKAR® Model, an industry-leading individual change management model, can be used to facilitate the people part of transforming business critical document processes. We will look at a system of engaging, motivating and empowering people across the global enterprise to embrace less costly document-related behaviors, and importantly, including the reinforcement of new behaviors, to create a genuine culture of continuous improvement.

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1 Maurer, Rick. *Why 70% of changes fail*. Online Magazine for Organizational Change Professionals, 2010.
2 Prosci and ADKAR are registered trademarks of Prosci, Inc.
Introduction

Transforming business critical document processes is key to increasing productivity and ultimately meeting top corporate goals: financial targets, innovation and superior customer service. A 2009 productivity study by IBM showed that iWorkers spend about 20% of every workday searching for or recreating information that already exists. IDC estimates that the annual cost of this information-based inefficiency is approximately $5,700 (USD) per worker. This figure does not include opportunity costs associated with under-serving customers and delaying innovation.

Change is getting harder. Many executive teams are scattered across different continents. A single team can span six or 12 different time zones. The days when everyone could sit around a table, roll up their sleeves, and get something done are a distant memory. This increases the risk of missed cues, different priorities, questions that never get asked, and concerns that never get addressed.

The transformation of information management required to reclaim lost productivity, and channel it toward top corporate goals consists of three broad components: optimized processes, the best technology and motivating people to embrace them. It is this last component that frequently gets overlooked, or under-estimated, in many transformation initiatives.

“In other words, the inability to manage the people side of a business change in the presence of a new culture and new values is a major contributor to failed business changes. Failing to manage the human side of change results in inefficient and unsuccessful change projects and an inability to realize new business strategies and objectives.”

The Hard Part: Transformation Means Changing Behavior

It’s easy to think of change management solely in terms of processes and technology: for example, the IT Infrastructure Library (ITIL) Framework addresses best practices for changes within IT processes and technology. But it’s the attitude and behavior of the people engaged in the processes and using the technology solutions and that will ultimately make or break a successful transformation.

Today, about 48% of business information is still in hard copy. Documents are intrinsic to the way many people do business. These “habits” are ingrained and seldom given a
second thought—which makes it hard to change the behavior required to fully realize the process and technology improvements of transforming business critical document processes.

A systematic approach is necessary to manage this people component, not only during the transformation itself but also subsequently for ongoing improvement. A behavioral change system minimizes disruption of business routines and, just as importantly, facilitates higher user adoption rates, greater user proficiency, and ultimately, a culture of continuous improvement.

There are a number of models for managing organizational change. To be most effective, they must identify the human and cultural components of project implementation and program management, and provide the framework for successful engagement at every step of the process.

One of the most widely adopted individual change management models, used for over twenty years by companies worldwide, was developed by Prosci, Inc. Formed in 1994, Prosci, Inc. has conducted seven studies for more than 14 years involving more than 2,000 organizations. Their research has found that most managers feel comfortable with business change in which:

- Business need or opportunity is clearly identified
- Individual project is well-defined (scope and objectives)
- Business solution is designed (new processes, systems and organizational structure)
- New processes and systems are developed
- Solution is implemented into the organization

The Prosci® ADKAR® Model

Prosci, Inc.’s research led to the development of the Prosci® ADKAR® Model, a goal-oriented framework for managed, properly sequenced, individual behavioral change in support of a desired business result. The Prosci® ADKAR® Model represents five goals of individual change that must be achieved for a successful transformation:

- Awareness of the need to change;
- Desire to participate and support the change;
- Knowledge of how to change (and what the change looks like);
- Ability to implement the change on a day-to-day basis;

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8 Prosci® ADKAR® Change Management Model Overview – Change Management Learning Center.
• Reinforcement\(^9\) to keep the change in place.

Individual change management practices based on the Prosci\(^\circledast\) ADKAR\(^\circledast\) Model help ensure end-user behaviors align with business goals and significantly, that savings and productivity gains become a permanent part of the organizational culture — not just a short-lived program.

The Prosci\(^\circledast\) ADKAR\(^\circledast\) Model is one of several core components of the overall Prosci\(^\circledast\) Change Management Process\(^\circledast\). The Prosci\(^\circledast\) ADKAR\(^\circledast\) Model is a model of the change process at an individual level which can be applied organizationally through the broader Prosci\(^\circledast\) 3-phase Change Management Process\(^\circledast\): Preparing for Change, Managing Change and Reinforcing Change. In the first phase, plans for change are developed for each goal; the second phase focuses on executing these plans for creating awareness, building desire, transferring knowledge and measuring the ability to change; the third and final phase sets in motion the reinforcement necessary to keep the change in place.

Preparing for Organizational Change

Before implementing any significant business transformation, it is crucial to adequately plan for the transformation.

Define Strategy

Much like planning technological or process initiatives, organizational change requires an effective strategy. First it is essential to understand the degree and characteristics changing business critical document processes will have on behavior. What is the extent of the people impact in moving from a current state to a desired state? It is important to assess all the departments and functional areas affected. For example will the change be introduced in only one department or region? And what impact might this have on the rest of the organization?

The figure on the following page depicts different stages in implementing Managed Print Services.\(^10\) Cultural and behavioral change is minimal when only print fleet management is introduced—in contrast with the paradigm change in adopting electronic document management.

\(^9\) Prosci ADKAR and ADKAR terms are trademarks of Prosci, Inc.

\(^10\) “IDC’s print and document outsourcing taxonomy defines Managed Print Services (MPS) as third-party contracts that assess, proactively manage and continuously optimize a customer’s printing/imaging/document environment. IDC’s view of MPS is a continuum of offerings: Contracts that focus on the hardcopy device environment and contracts that additionally focus on business process improvement by transforming document workflows”. (Del Prete, Crawford, Takashi Miyazono and Angèle Boyd. Controlling today’s and tomorrow’s information costs. IDC, 2011.)
Managed Print Services and Change

![Diagram showing stages of managed print services and change]

Source: Photizo Group, MPS Customer Adoption Model – Expanded, March 2010

The impact of change in Stage 1 likely happens at the departmental level--some departments may cede control over contracts and associated vendors. This may include IT for network printers, or Facilities / Procurement for MFPs, copiers, and facsimiles.

At Stage 2, change may impact individual end-users; they may have to give up their desktop printers. These individuals may experience this move as taking away a convenience, removing a luxury, or even an invasion of personal space.

In Stage 3 the transformation involves changing the way people accomplish their jobs and can be highly disruptive. Changing deeply engrained document management behaviors can take employees out of their “comfort zones”, even cause fear and resistance. In defining a transformational strategy, it is critical to address the behavioral challenges that accompany each of these stages.

Defining a change management strategy must also anticipate the impact on different employee groups and company locations. There are local, regional, and global change considerations: borders, languages, currencies, time zones and other cultural variables.
There are generational considerations, for example Millennials—those born in the digital age. In 2015, Millennials will comprise a majority of the workforce. Millennials’ attitude about security, loyalty, privacy and work style are colliding with the policies and norms at many companies. Their experience and expectations surrounding change are different too—in order to inspire, motivate and empower Millennials, companies need to provide flexible access to information anytime, anywhere and in many forms.

**Prepare the Team**

The second step in preparing for organizational change is putting together the right team that meets regularly and reports up to management—resources with the *right competencies to lead change management*. A typical change management team requires end-user representatives, such as subject matter experts (SMEs) for both functional knowledge as well as recruitment of their peers (see more below on stakeholders). A marketing communications specialist (or similar resource) is required to clearly communicate the motivation and constantly promote the change.

Of course project management resources, perhaps Line of Business (LoB) managers, must be involved to execute a transformation. The team should be fully briefed on what’s behind the transformation strategy. If the transformation includes outsourcing processes like Managed Document Services, the service provider should be able to supply analytical, planning, project management and operational support.

**Sponsorship is More Than “Buy-In”**

A successful transformation of business critical document processes requires leadership not only from the CIO and CFO but the involvement of the entire C-suite. Sponsor(s) should be identified, ideally from the C-suite, and all CXOs must clearly and consistently communicate why transforming information management will further corporate strategic goals and why this initiative is to be supported across all LoBs.

Sponsors do more than “buy-in” to the process; they act to ensure the team can move forward past any potential roadblocks. Sponsors in particular must help in continuing to communicate goals and status of the change, and participate in rewarding success.

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13 For more information, download the Ricoh GMDS White Paper, C-Suite and line of business leadership in transforming document information management. Ricoh Global Managed Document Services, 2011.
In addition to C-level leadership, enlisting and motivating SMEs within functional groups and LoBs is critical. They alone have both the experience and knowledge to design optimal business critical document processes. But it is more than tapping SMEs for their business process experience; it is critical to make these SMEs feel like stakeholders in the change. In close partnership with the domain expert, the functional LoB manager is responsible for tactical implementation. Both have a vested interest in creating a workable improved process.

**Executing and Managing Individual Change Management using the Prosci® ADKAR® Model**

After planning and initially preparing the organization for change, it is time to address the people component of actually transforming business critical document processes. A systematic, step–by-step approach to behavioral change helps lower the common risks of business transformation:  

- Reduced or low gains in employee productivity
- Lack of governance
- Failure to realize cost savings
- Barriers to innovation
- Low improvement in end-customer service
- Slow response to customer needs

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14 Prosci ADKAR and ADKAR terms are trademarks of Prosci, Inc.
In this section, we’ll take a look at the five goals of the Prosci® ADKAR® Model: building Awareness; creating Desire; establishing Knowledge; creating Ability. (The fifth goal - reinforcement of new skills - addresses perpetuating and extending the benefits of the initial transformation, which is, creating a culture of continuous improvement.)

**Awareness – Understanding Why Change is Needed**

Before people will accept change, they need to be aware of a compelling need for it. Senior management plays a key role in clearly and consistently communicating why transforming information management will further corporate strategic goals and why this initiative is to be supported across all LoBs. Benefits are further reinforced at the LoB level by respected domain experts and LoB managers.

As a member of the change management team, a marketing communications specialist is well-equipped to develop an internal communication plan that helps promote awareness and lower the risk of employee alienation. Internal communication tools may include:

- Official branded email announcements endorsed by top management (using company-specific branded themes (e.g., “brand” the change--Better, Faster and Greener)
- “Did you know” pamphlets
- Lobby/break room posters
- Branded Post-it notes

Note: it is important to plan ahead and measure awareness before, during and after transformation to determine whether communication plans are working or need tweaking.

**Desire – Motivating People**

Once awareness of why a change is beneficial has been established, people need to be motivated to particulate in the change on a personal level. Everyone in a business creates and uses documents—it is intrinsic to the way people in almost any role do their jobs. Habits are ingrained and seldom given a second thought—it takes personal effort to change them. No technology can effectively enforce a willingness to adopt new processes. The only way for real change to happen is to satisfactorily answer one important question: “What’s in it for me?”

Some of the positive consequences of transforming business critical document processes include making knowledge workers’ jobs easier—more effective and,

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16 For more information on the importance of internal communications, see (Worthing and Hendrix).
arguably, more employable. But new processes and technologies frequently involve a learning curve, and this can promote insecurity about whether they will succeed. It is important the benefits of change need to be perceived as greater than this insecurity and the natural resistance to change.

An understanding and anticipation of these dynamics is essential for the change management team. Above and beyond proper training opportunities (see below), a plan to overcome these insecurities might include something as direct as sponsored contests, with rewards, to encourage participation in new processes.

An even more powerful agent for change is the influence of well-respected SMEs. Besides having been enlisted in designing and implementing the transformation, their championing of the cause that they have engineered is a powerful motivating force for co-workers and can accelerate widespread adoption.17

**Knowledge – What do you need to know to succeed?**

Because they have participated in the designing the transformation of the current state to the “desired state,” those same LoB domain experts and managers are in the best position to help design a plan for educating and transferring skills to the rest of the organization. These SMEs can work together with the marketing communications specialist or other resources on the change management team, to design and implement a training program.

Some examples of programs for knowledge transfer may include:

- Formal on-site training
- Self-paced online training and self-help documents
- “Cheat sheets”
- Decision trees for Help Desk responses

These tools must be in place *before building the awareness and desire to participate.* They will be part of the process to help people believe they have what they need to succeed, making the transformation seem less daunting.

**Ability – Measuring Levels of Accomplishment**

People need time to develop new skills and behaviors. A plan for measuring the success of knowledge transfer, of proficiency in new processes, should set realistic expectations over a reasonable period of time. Measurement of key performance indicators (KPIs) will reveal not only the progress of an individual’s abilities but also the improvement in

17 (Ricoh Global Managed Document Services)
overall performance in meeting program objectives, staying on schedule and staying on budget.

Interestingly, while new processes and technologies part of a transformation may call for new performance measures, KPIs should be retained and leveraged as much as possible--like cost per page or customer service response time. This provides a certain level of comfort and sense of continuity throughout the organization.

**Reinforcement®**

Reinforcement actually does more than sustain a changed process; it creates a culture of continuous improvement. A culture of continuous improvement looks beyond the initial transformation, for further opportunities of cost savings, greater innovation, and improved customer service.

There are three steps to reinforcing change: collecting and analyzing feedback; diagnosing gaps and managing resistance, implementing corrective actions and celebrating successes. The change management plan for this phase should include:

- The means for listening to employees and gathering feedback;
- Auditing compliance with new processes, systems and roles; an independent, ISO-like audit will provide un-biased feedback to help reinforce new processes;
- Analyzing the on-going effectiveness of change management

The collection and analysis of feedback on the performance of the transformation will help identify root causes and pockets of resistance to the use of new processes and technologies—and these, in turn, inform the development of corrective action plans that enable sponsors and stakeholders to manage resistance, and extend the initial benefits.

It’s possible that where areas of resistance are identified corrective action may need to be applied: e.g., additional training and emphasizing to employees why transformation is essential to both their goals and those of the corporation. No one-time training event or educational program will substitute for ongoing coaching and mentoring. Outside intervention or support may be required. In addition, don’t forget that incentives can be put in place to encourage aiming for higher goals.

Equally important to fostering a culture of continuous improvement is the celebration of early successes and the on-going rewards of positive change. Communication of the improvements and benefits that are gained should be direct and frequent (e.g., email, progress charts) and made as public as possible.

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18 Prosci ADKAR and ADKAR terms are trademarks of Prosci, Inc.
Conclusion

The people component of change management requires a framework for success just like the technological and process components of business transformations. The majority of transformations fail precisely because they do not address the human component of change. In this White Paper, we’ve examined a structured approach based on the Prosci® ADKAR® Model.

By following this structured approach, people are engaged, become invested in positive change, and empowered to transform costly business critical document-related behaviors. The benefits of successful “people change management” accrue to the business as a whole: hitting financial targets; innovating products and services; and improving customer care and support. Reinforcing new behaviors creates a true culture of continuous improvement, and the momentum for extending the initial benefits of transforming information management.
Ricoh Company, Ltd.
Ricoh Company, Ltd. is a global technology leader, specializing in the office and production printing markets. Ricoh works with organizations around the world to modernize work environments and optimize document efficiency. With more than 108,500 employees worldwide, Ricoh operates in Europe, the Americas, Asia/Pacific, China, and Japan. Ricoh’s worldwide sales were more than 1,942 billion yen ($21 billion USD) in the year ended March 31, 2010.

Ricoh’s Managed Document Services (MDS)
Ricoh’s MDS approach is an extension and evolution of MPS, which addresses the three fundamental functions relating to the entire document management ecosystem of input, throughput, and output. Ricoh’s MDS aims to streamline core business processes by focusing on process, people, and technology and innovation to create a state of continuous improvement. Ricoh aims to help organizations better manage and leverage information for improved business outcomes through a flexible, partnership-led approach. Services management is the fundamental pillar to govern the print and document services program, aided with expert consultancy as well as proven project and change management methodologies. Ricoh is recognized today by both IDC and Gartner as a leader in the industry.

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