ACADEMIC HEALTH SYSTEM EMBRACES CHANGE MANAGEMENT FOR INTEGRATION AND LEADERSHIP STRATEGIES

Industry: Healthcare

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PEOPLE. CHANGE. RESULTS.

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> The research foundation of Prosci provided credibility for change management at our organization. It made it easier to get our senior team and project members on board. The methodology is simple and flexible, and the research so accessible that we can make the most informed decisions for our organization.

- Director of Human Resources

BACKGROUND

In late 2015, a health system based in Chicago, Illinois, announced that it was integrating two new organizations. This expanded the system's presence to multiple hospitals and nearly 100 locations.

These 2015 integrations were initiated as part of the health system's broader acquisition and growth strategy, and the deployment of an Enterprise Resource Planning (ERP) system was a core component of each new integration. Previous integrations had highlighted substantial challenges faced by existing hospital staff in HR, IT, Finance and Supply Chain functions in adopting a new ERP system while maintaining effective patient care. What is more, both of the new organizations needed to be integrated by early 2017, a short timeframe. Leadership recognized the need to create a repeatable method for addressing the people side of these integrations.

In addition, the health system had recently defined change leadership as a leadership competency. They were further refining the leadership initiative by identifying the behaviors and metrics that would gauge individual and organizational progress. Leaders in the HR function and the Integration Office decided together to invest in a consistent change management methodology to address all these needs.

THE CHALLENGE

To apply change management on two ERP system integrations as a demonstration of enterprise change capability and leadership competency.

THE SOLUTION

- Attend the Prosci ECM Boot Camp to outline a strategy for embedding a consistent and structured approach to change management

- Certify a cohort of change practitioners in the Prosci methodology

- Engage and educate sponsors

- Use the Prosci 3-Phase Process as a framework for setting project expectations and planning and executing change management work

- Use Prosci best practices research to inform and reinforce change management planning and work

PARTNERSHIP WITH PROSCI

Many people throughout the health system were already familiar with the Prosci change management methodology and appreciated its simplicity and flexibility, so it was a natural choice when deciding what methodology to use. The fact that the Prosci methodology is based on constantly updated research further added credibility to the change management initiative.

APPLICATION

The integration planning stage included a focus on sponsorship, on sizing and scoping the project from a change management perspective, and then on creating the five change management plans Prosci recommends for project success.

Relabeling and setting expectation

In the planning stages, the change management lead made a point of relabeling his team and their activities to highlight change management. The team was initially focused on implementation and communication, but part of the change management initiative involved changing the team's title to change management. This allowed the change management lead to re-structure the team with change management best practices in mind. It also ensured that all stakeholders—including sponsors—took change management seriously and recognized its role in the project.

Once the team was named and assembled, they began to outline the necessary plans for project success: the sponsorship roadmap, communications, coaching, resistance management and training. This was also a part of setting expectations; now everyone involved in the integration knew that change management was more than communication or training. They knew it included all five plans.

Engaging and educating sponsors

Buy-in from key members of Human Resources, who were responsible for the people-side management of the health system's integrations, gave change management the priority it needed to be successful. Based on overwhelming research conclusions that effective change sponsorship is the most critical success factor of a change initiative, the first activity that the change management team took on was creating a sponsor coalition and implementing a series of biweekly sponsor meetings. These meetings featured informal education on the role of a change management sponsor, ensuring that every sponsor understood their role and how to fill it effectively. Building this knowledge was critical to the project, as it kept the sponsors engaged and bought-in to the change management work. It also provided space for sponsors to receive updates, clear up any confusion and remove any roadblocks that came up as the project continued.

Coaching sponsors

In addition to sponsor briefings, the change management team conducted one-on-one coaching with sponsors to help them stay active and visible and to communicate clearly about the integration to their employees.

Coaching end-users

The team also launched a robust ERP coaching program, pairing the health system lead in HR, Finance and Supply Chain with the staff members fulfilling the same function at the two new organizations. The program's onboarding plan allowed these individuals to meet in person and build relationships with each other and the lead, and its training plan empowered the staff to learn the system with enough time, structure and information to succeed at go-live.

ADKAR assessments to address gaps

To gauge progress, the change management team included several different assessments throughout the life of the integration. They conducted two ADKAR readiness surveys in 2016 and a third ADKAR survey after much of the training had taken place in February 2017. The first two surveys helped the change management team see where the gaps in adoption were happening and allowed them to address these gaps by correcting the change management plan. By the February 2017 survey, the ERP system was live in HR and about to go live in IT and Finance.

THE RESULTS

The change management work done at the beginning of the integration immediately paid off with high engagement and high awareness and desire to participate in the integration. Not only were the ERP integrations at both new organizations successful, but these implementations also created a standard approach to the people side of change for future integrations. In addition, change management maturity rose throughout the health system.

Project results

Employee engagement levels, already high, were sustained throughout the project, despite the disruption caused by the integration. In fact, despite hiccups on the project management and technology side of the integration, employees' personal motivation to participate in the change remained above 90% for the life of the integration.

Overall, the ERP integrations happened more seamlessly and with higher employee engagement and were more easily adopted than previous integrations. This allowed staff to spend their time and energy taking care of patients, not worrying about technology.

Organizational results

The health system as a whole saw a boost in change

management capability throughout 2016, in large part due to the publicity of change management on the ERP integrations. The following departments now either have a certified change practitioner or are using the Prosci methodology and tools: Patient Experience, Integration, Human Resources, Nursing, Supply Chain, Electronic Medical Records and Process Improvement. In addition, the Integration Office now has a repeatable and proven process for addressing the people side of change for ERP integrations, and the organization as a whole now has demonstrable behaviors around change leadership.

With the success of change management for the ERP implementation, change management is playing an even larger part in the activation of a new multi-million dollar hospital. For this project, the change management work includes formal change management training with managers and staff. Looking ahead to this project and others, the health system will also be expanding their change management team by training several staff members to become trainers in the Prosci methodology. This will be yet another step towards this organization having a consistent and repeatable approach to change management.

RESULTS HIGHLIGHTS

- Sustained high employee engagement despite project setbacks

- Employee motivation to participate in the change remained above 90%

- Resulted in the most seamless and most easily adopted ERP integration to date

- Spurred expanded change management support for new hospital activation

- Created a standard approach to change management for future integrations

- Increased organization's change management maturity and capability

BUILD YOUR ORGANIZATIONAL CHANGE CAPABILITY WITH PROSCI

Over 80% of Fortune 100 companies have worked with Prosci to build their change capability. Our research-based, results-driven methodology is easy to apply. We can equip your organization with the tools to out-change others, remain agile and thrive during bigger, faster and more complex change.

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Your no-cost consultation will:

- Define your organization's goals

- Assess your current state of change management maturity

- Review your change capability development strategy

- Provide actionable insights to drive your organization forward

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