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State of Louisiana
Office of Information Technology

Change Management Plan

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Change Management Plan

Change Management Overview

With the implementation of IT Consolidation, the State is facing unprecedented external challenges requiring transformation of the way the State currently runs IT. During transformations, effective change management strategies maximize adoption by minimizing disruption to the agencies. Many transformation efforts fail because they do not effectively address the people aspects of change. In fact, organizations that lead their people through change with an effective change management strategy are more likely to achieve their transformation objectives than those that lack an effective approach to change management.

Effective change management drives results because it:

- Reduces the productivity gap that will occur as a result of changing how people do their jobs and leads to a less disruptive change window

- Reduces the risk of the transformation failing and requiring significant additional costs to "fix it" after the fact

- Reduces the risk of employee turnover due to stress/anxiety around the change

- Increases employee commitment to the change, resulting in increased engagement through making the initiative a success

- Increases organizational effectiveness

- Reduces the likelihood of a disruption to the customer experience or bad press

Implementing an effective change management plan will enable the State to move to a new operating model but will also clarify and address the key challenges along the way.

Key Considerations

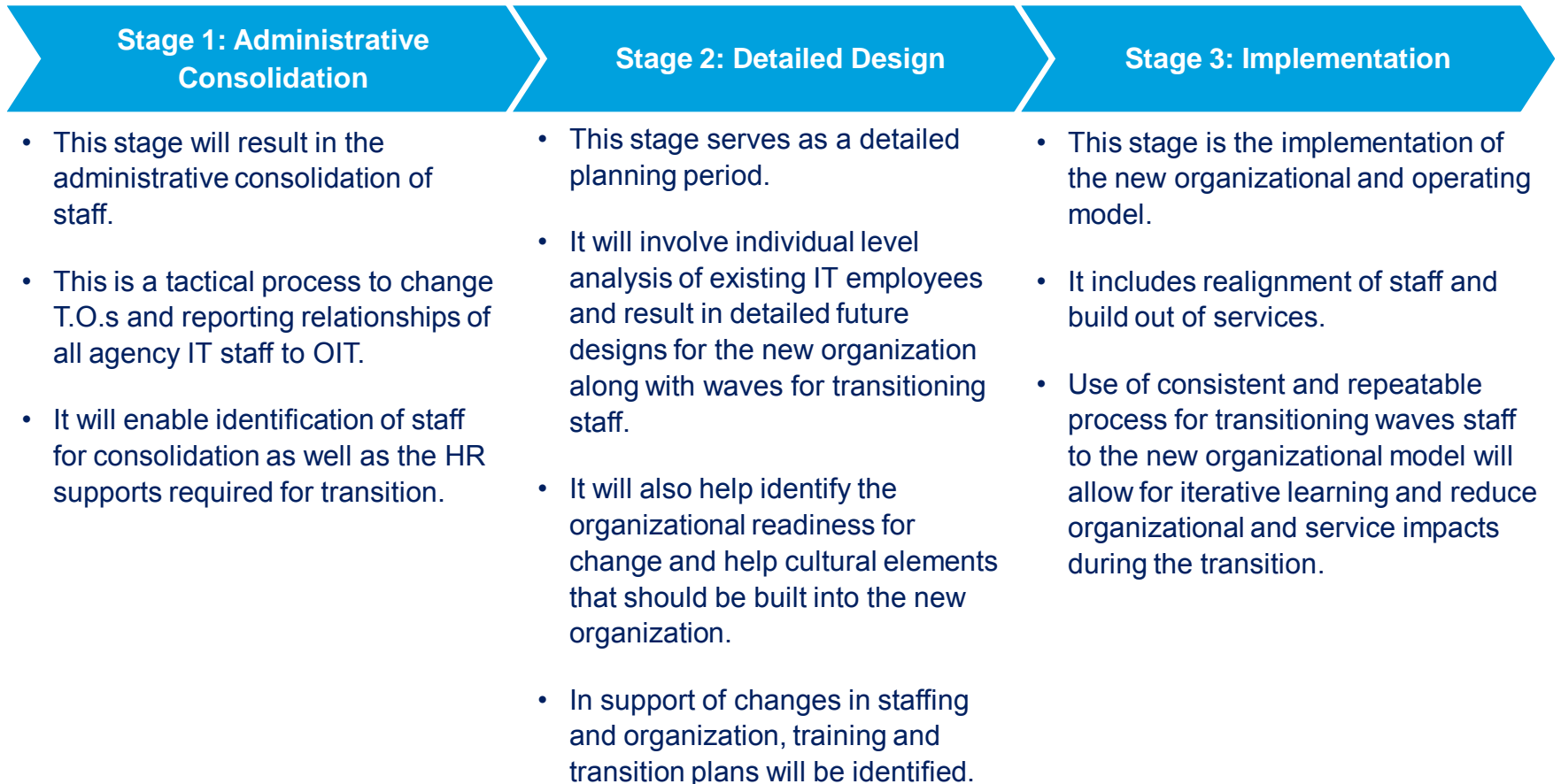Change management for a transformation as large as the one planned by the State of Louisiana IT Consolidation can be understood in terms of three dimensions and nine elements. Elements with stars are detailed in this deliverable, the remaining are covered in the Human Capital Management Plan and Communications Plan deliverables.

Dimension	Element	Key Consideration
Change Leadership	Culture ⭐	• Moving from a dispersed operating environment to a consolidated service oriented organization will require significant culture change. Culture change must be addressed during implementation.
	Stakeholder and Customer Engagement	• Throughout the process, the communications plan should be used to engage stakeholders and the customer engagement plan should be used to engage customers. External support is essential.
	Change Readiness ⭐	• Throughout the process, it will be important to know how ready the organization is for change. This can help leaders preempt challenges and address concerns before they become problems.
Organization / HR	Organization Structure	• The new organization should strike a balance between adding new capabilities and drawing from current strengths. The right balance will help both effectiveness and change readiness.
	Workforce Transition ⭐	• The new model is only as strong as the workforce. Effective transition of the workforce requires effort but can speed up stabilization and reduce risks to the future state organization.
	Supporting HR Programs and Processes	• As described in the Human Capital Management plan, a unified IT organization will require a unified HR program and Human Capital Management processes.
	Talent Mgmt Programs and Processes	• As described in the Human Capital Management plan, a consolidated IT organization will require a comprehensive talent management program and associated Human Capital processes.
Capabilities	Training and Learning ⭐	• An effective change management approach includes a strategy for training and learning that addresses both short term needs and long term employee development.
	Develop Capability Transfer Process / Plan ⭐	• Staff moving into the consolidated organization will leave tasks behind and take knowledge with them. An effective change management plan will support capability transfer to limit knowledge gaps.

Organizational Transition Stages

Deloitte recommends staff to be transitioned using a staged and modular approach. The three stages below will help support the smooth transition of staff.

Stage 1: Administrative Consolidation	Stage 2: Detailed Design	Stage 3: Implementation
• This stage will result in the administrative consolidation of staff. • This is a tactical process to change T.O.s and reporting relationships of all agency IT staff to OIT. • It will enable identification of staff for consolidation as well as the HR supports required for transition.	• This stage serves as a detailed planning period. • It will involve individual level analysis of existing IT employees and result in detailed future designs for the new organization along with waves for transitioning staff. • It will also help identify the organizational readiness for change and help cultural elements that should be built into the new organization. • In support of changes in staffing and organization, training and transition plans will be identified.	• This stage is the implementation of the new organizational and operating model. • It includes realignment of staff and build out of services. • Use of consistent and repeatable process for transitioning waves staff to the new organizational model will allow for iterative learning and reduce organizational and service impacts during the transition.

Change Management Process

The diagram below provides the step by step detail of the Change Management Process. The process is linear in Stages 1 and 2, and iterative in Stage 3. This is meant to indicate that Stage 3 is repetitive, and happens each time a service group or staff wave is transitioned. Details of each step can be found in the appendix.

Stage 1: Administrative Consolidation | **Stage 2: Detailed Design** | **Stage 3: Implementation**

Step 1: Select staff

Output:
• Staff selection

Step 2: Conduct agency discussions

Output:
• Adjusted staff selection

Step 3: Confirm HR supports

Output:
• HR supports defined

Step 4: Conduct transfer

Output:
• Staff consolidation

Step 5: Analyze staff and organization

Output:
• Staff Functional Inventory
• Organizational Readiness Assessment

Step 6: Model future state

Output:
• IT staffing model; Service Group Detailed Design

Step 7: Identify potential training/retraining opportunities for staff

Outputs:
• Training program

Step 8: Develop staffing plans and wave transitions

Output:
• Staff transition plans
• Recruiting plans and activities (if applicable)
• Wave transition plans

Step 9: Communicate with agency leadership, HR and Civil Service

Output:
• Notification of staff changes

Step 10: Communicate changes to employees

Outputs:
• Individual conversations with affected employees
• Town hall meetings with staff
• Plan for transition of duties that impacted employee will no longer perform

Step 11: Update staffing plans as needed

Output:
• Updated staffing plan (if applicable)

Step 12: Plan staff transitions

Output:
• Completed staff transition plans

Step 13: Implement staff transitions and roll out service groups

Outputs:
• Roll-out of new service groups
• Reassignment or transfer of FTEs
• Completion of on-boarding activities and necessary training for new duties
• Completion of retraining program
• Transition of duties that impacted employee will no longer perform
• Onboarding of external candidates (if applicable)

Step 14: Document lessons learned and review needs for next wave

Outputs:
• Lessons learned
• Improvements implemented in next wave

Ongoing communication between IT management, HR, and IT staff

Indicates connection to Service Group Build Out activities

Formal communication point

Template provided

Detailed Planning Assessments

Once the Stage 1 Administrative Consolidation complete, it will be easier to conduct the steps needed to ready the organization for realignment in the new model. Two key elements must be considered as part of Detailed Planning in Stage 2—functional assessment and organizational readiness.

Functional	The Functional Assessment will help the State understand what work is actually performed, how many staff perform many different types of functions and the State's functional gaps. • Aligns how time to industry standard job families and functions for ease of understanding • Helps the organization understand the staffing levels necessary to support the future state organization as well as the division of labor and needs for staff transition planning • The functional analysis t is not a skills assessment
Organizational Readiness	The organizational readiness assessment will help identify the strengths and opportunities of the organization defined by Stage 1: Initial Centralization, and elements that need to be addressed in Stage 3: Implementation • An effective organizational readiness assessment will evaluate the current state of employees and the organization along five dimensions: Organization Value and Value Proposition, Organizational Infrastructure, Personal Relevance and Engagement, Leadership Support, Communication • The State can use the results of this assessment to make key corrections and implement culture changes as part of the organizational design

Service Group Design

As part of the change management process in (Steps 6 and 13), services and supporting structures should be designed and rolled out. As with staff, services should be built out based on a repeatable process to minimize service disruptions and allow for stabilization to occur before launching into the next build out. Once designed, services can be rolled out in parallel with staff training and wave transitions.

1. Define Charter and Vision

- Identify servcie group design leaders/owners
- Create a specific charter and vision to drive each service including goals, expectations and direction
- Define relationship of the service to other services

2. Detail roles, relationships and handoffs

- Define specific/individual roles and responsibilities of staff in each service
- Define handoffs and dependencies between indidviduals and functions within services and between them

3. Define processes, procedures and tools

- Identify existing processes and procedures that need to be updated or defined
- Inventory technologies and tool(s) and related documentation currently in use
- Define the tool(s) for use in the future state including opportunities to consolidate existing tools
- Redesign processes, as necessary, to support each service

Considerations for Training and Retooling

The most essential element in a successful organizational transformation is having staff that are well prepared for transition and fully trained to be a part of the new organization. To foster this, State leaders need to understand the training needs of staff along two dimensions: Training for Transition and Training for Effectiveness.

Training For Transition	Training for Effectiveness

Training For Transition

To prepare staff for their new roles and a new organization all staff need to be trained on:

- Their new roles and responsibilities

- New processes and procedures within their service

- How their new service works

- How their service fits within the broader IT organization

For some staff taking on new roles, they may need to be retooled and trained on new skills required for their new responsibilities

Staff transition training needs can be identified as part of the overall staff transition process outlined on preceding slides

Training for Effectiveness

At present, agency level IT staff use different processes, tools and approaches for delivering services. As discussed in the Human Capital Management (HCM) plan, investing in training by building consistency and standardization of skills across staff, will be important to long term organizational success.

As suggested in the HCM plan, the State should consider building a comprehensive staff training program to continually develop staff.

- A first step in this program would be to train all staff on ITIL, which would help foster a common language for providing service, a standard set of processes and common understanding across the entire organization
  - The ITIL Foundations program is a two day course that could be completed by all staff

- A long term training program would address the skill gaps prevalent among staff and help foster development for all staff over the course of their careers

Appendix

Staff Transition Processes: Detail

Step 1

Staff Selection

Define the criteria for selecting staff for consolidation to help avoid borderline or grey areas for which staff will be included in the future state organization. Use the defined criteria to identify staff for consolidation.

Outputs:
- Staff selection

Step 2

Conduct agency discussions

Communicate to agency and Agency IT leaders about plans for staff consolidation Gain agreement on staff to be moved Communicate with staff about transitions Make adjustments to plans based on transition communications, if necessary

Outputs:
- Adjusted staff selection

Step 3

Confirm HR Supports

Confirm funding mechanisms and associated spend on staff including: T.O., salary, benefits, training, and administrative supports. Define and implement funding transfer mechanisms, as necessary.

Outputs:
- HR supports defined

Staff Transition Processes: Detail

Step 4

Conduct transfer

Confirm interim reporting relationships, if changes are expected
Communicate interim service re-alignments, should they exist
Define and convey communication channels for staff
Communicate expectations of staff during interim period

Outputs:
- Staff consolidated

Step 5

Analyze current staff and organization

Survey staff regarding how they spend their time according to industry standard functions. Develop an understanding of the level of effort required to support the future state organization based on existing allocations. In parallel, conduct an organizational readiness assessment to understand how ready the organization is for change and the areas it will need to build out from a cultural perspective to support the organization.

Outputs:
- Staff functional inventory*
- Organizational readiness assessment

Step 6

Model future staffing needs

Using the Survey results, model the future IT needs of the IT organization over time. Apply industry benchmarks for ratio of IT to users, future staffing levels, transition over time.* Meet with Agency leaders to validate data, incorporate organization-specific exceptions and dependencies, and explain model conclusions. The model is a living document that can be updated to reflect changes or exceptions to staffing requirements or timing. In parallel, build out service groups per recommendation on "Service Group Design" slide.

Outputs:
- Future state staffing models
- Service group detailed design

* Using a framework like Computer Economics Government Industry benchmarks

Staff Transition Processes: Detail

Identify potential training/retraining opportunities

Develop training needs for transition and long term effectiveness (See "Considerations Training and Retooling" slide). Identify skills gaps in staff. Review/ identify surplus functions (job functions that will have more available staff than positions in the future), functional gaps (job functions that will have fewer available staff than positions in the future), opportunities where surpluses and gaps exist within the same job family. Use this analysis to identify potential training/retraining opportunities for staff.

Outputs:
- Training program

Develop staffing plans and wave transitions

Analyze current state, staffing model, and real-life scenarios to determine staffing plans. Hold career conversations with employees to better understand their capabilities and desired career paths. Develop wave transition plans to move certain groups of staff at certain times and minimize organizational disruption.

Outputs:
- Staffing plans
- Recruiting plans and activities (if applicable)
- Wave transition plans

Communicate with agency leadership, HR and Civil Service

Notify agency leadership HR and Civil Service as staffing plans are developed. For wave staff transitions, reach agreement on the process for decisions and transitions.

Outputs:
- Notification of staff changes at agencies and Civil Service

Staff Transition Processes: Detail

Step 10

Communicate changes to employees

Conduct individual conversations with impacted employees who will experience a change in supervisor, duties, geography/work location, or shift. Hold career conversations with staff who may need to be retrained and redeployed as a result of IT consolidation. For other employees who might not be experiencing change in their own jobs, communication is still an integral part of supporting their work experience. It is suggested that the Agency leader and HR leadership hold in-person town hall meetings with all staff prior to staff moves.

Outputs:
- Individual conversations with affected employees
- Town hall meetings with staff
- Transition of duties that impacted employee is not taking with them

Step 11

Update staffing plans (as needed)

Update staffing plan or process if needed as a result of conversations with HR and Civil Service.

Outputs:
- Updated staffing plan (if applicable)

Step 12

Plan staff transitions

Plan for logistics of staff moves, including the following:

- Work transitioning with employee and that work that will remain in the agency and associated knowledge transfer

- HR paperwork

- Physical move (if applicable)

- Set up of desk, phone, computer, etc. (if applicable)

Outputs:

- Completed logistics planning for staff transitions

Staff Transition Processes: Detail

Step 13

Implement staff transitions and roll out service groups

Transition staff according to the staff transition plan developed in Step 12.

Step 14

Document lessons learned, and review needs for next iteration

In preparation for the next set of staff moves, determine what went well in the current iteration and what could have gone better. Begin to review the IT Consolidation Plan and staffing model for the next iteration.

Outputs:
- Roll-out of new service groups
- Reassignment or transfer of FTEs
- Completion of on-boarding activities and necessary training for new duties
- Completion of retraining program
- Transition of duties that impacted employee will no longer perform
- Onboarding of external candidates (if applicable)

Outputs:
- Lessons learned
- Improvements implemented in next wave