

Transforming HR

Shaping the Change: HR Managers as Change Managers



Summary

There are a number of reasons for the pressure to change that many companies are feeling: economic globalization, unforeseen crises, the rising complexity of business processes, the customization of products and services, digitalization at all levels, the pursuit of New Work and, naturally, demographic change. Companies are responding with new structures and processes. In doing so, management has to rely on successful HR management and successful HR development because every positive change is built on the willingness and skillsets of employees. In an ideal scenario, Human Resources shapes extensive aspects of change. HR managers are increasingly becoming change managers – and have to stand the test of this new role.

What You Will Learn from This Guide

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|---|--|----------|
|  | Which challenges HR has to manage in times of digital change | 3 |
|  | Which are the five typical processes in change management projects | 5 |
|  | How to prepare your workforce for the digital change in seven steps | 6 |
|  | How to implement a new HR solution smoothly and seamlessly | 9 |



HR Manager – a Job with Many Facets

HR managers always work on multiple levels: On the one hand, they assist management with their HR work across all departments, provide analysis and useful reporting – as a foundation for strategic decisions. They oversee change in this way.

On the other, they are frequently the first people in the company to take advantage of new processes and digital tools, and they promote strategic issues such as New Work. They support employee development necessary to successfully shape change. HR managers are a port of call and role model in times of upheaval, and have to create trust in the organization so that change is ultimately put into practice as well.

70%

of millennials said, they would quit due to poor technology experiences.¹

89%

of HR leaders agree that ongoing peer feedback and check-ins are key for successful outcomes.²

Let's Take Digitalization as an Example:

More and more, this also means cultural and organizational transformation within a company. Whether or not this is successful is largely dependent on employees' ability to change. This is true both on a small scale, such as when new tools are introduced in the HR department itself, and on a large scale, for instance when the entire company is expected to adapt to a new technology – for example a new ERP system like SAP S/4HANA that affects every business process in the company. Or when mergers or restructuring "shake up" the company.

Employees who feel their voice is heard are

4.6 times

more likely to feel empowered to perform their best work.²

Highly engaged teams show

21%

greater profitability.²

Sources: ¹ SAP SE

² Forbes Media LLC, Author Naz Beheshti



Accepting and Understanding

HR managers know that their employees do not fear change as a rule. They are open to it when they understand its necessity and the part they have to play. But what matters to them is that change makes sense, is comprehensible, and can be implemented. That's why the reason behind a change has to be explained. Which factors play a role? What's the time frame? How can individuals contribute, and what can they expect? The answers to these questions come from HR and management together.

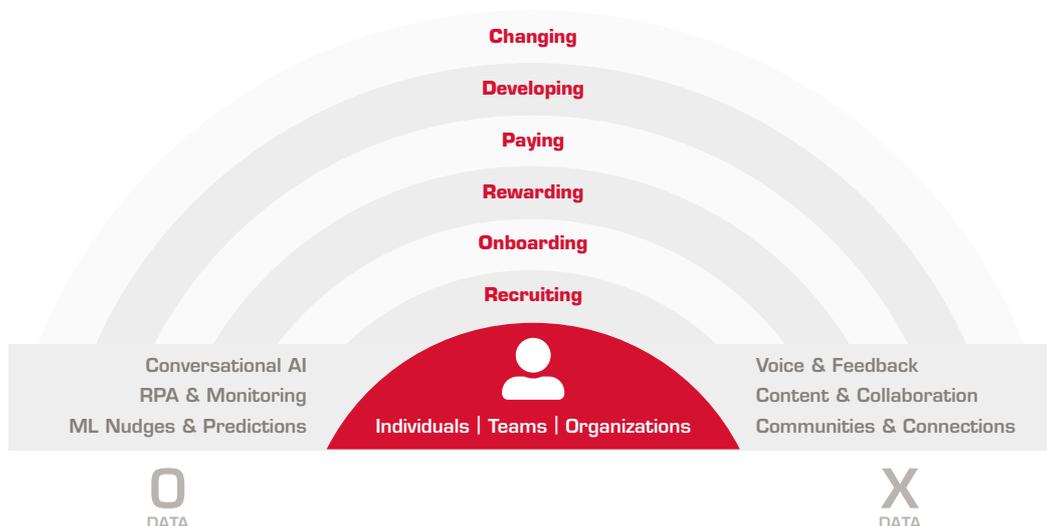
In IT projects, like in other major change projects as well, parallel change management is needed to reinvent processes and structures, teams, and departments. All three dimensions of the company's system have to be given equal weight: organization / processes, IT, and HR. If internal expertise or capacity are insufficient, external HR and organizational consultants have to be called in.

There is another benefit to outside support as well: Companies operate according to patterns that are either beneficial or less beneficial, and may themselves no longer be able to see and thus change these patterns. Outside stimulus is therefore especially helpful – just as systematic change management can be, at least for a time. Ideally, consultants will be replaced, over time, by internal actors who continue the change – and HR managers are the first in line.

What Is Employee Experience Management?

Employee experience is the collective sum of all contacts that an employee accumulates with a company – from the time they are hired until they leave. In order to consciously shape these moments, HR management has to be able to put itself in its employees' place. The active use of new technologies can help companies to understand their employees and thus to offer them an experience that is especially appealing.

Figure 1: Human Experience Management





Five Typical Phases in a Change Management Project

The ultimate goal of all change management activities is to get internal stakeholders on board. One proven approach is to break this down into five phases. These are intended to ensure a reliable change process and, in the final analysis, make the company more capable of change.

■ Phase 1: Preparation

The goals and composition of the project team are defined so that all key streams in the company are represented. Moreover, the phases to follow are mapped out, and the future management team is set up (change managers and change team). The point of this first phase is to devise and approve specific milestones.

■ Phase 2: Information

A kick-off meeting marks the project's official start. The project team and procedures are presented. Other information workshops are also held in this phase.

■ Phase 3: Putting Teams Together

Employees apply for the positions they want in the newly formed teams. Skills management is especially important here from an HR perspective.

■ Phase 4: Area and Team Building

The change teams work on the implementation of the new structures and processes (usually in sprints). The new organization comes to life at the start of the test phase. Every employee of the company is brought up to date with training and other information events.

■ Phase 5: Optimization

Implementation is evaluated in employee surveys. This makes it clear whether and how the goals were achieved. New workshops, and possibly external support, are organized as necessary and appropriate.





Resources and Expertise for Change

Efficient processes, a strong foundation of trust, motivated and networked employees, a constructive feedback culture, the ability to change, and a strategic role in the company – valuable goals for any HR manager. However, in order to achieve these, and to become a defining force in change, you need to rid yourselves of unnecessary operational and administrative busywork and create new transparency.

Many HR departments are already taking advantage of the numerous digital opportunities available. What are ideal are HR solutions that connect all key processes with each other – thereby facilitating a 360° view of the entire workforce in the sense of an all-round grasp of the relevant information in an employee's lifecycle: from apprentices through to management, from joining the company, to individual development and optimal teambuilding.

Step 1: Time-Saving Processes – HR as the Front Line in Digital Transformation:

Are complex legacy systems and isolated data making it harder for you to make decisions fast? Modern HR solutions at last manage your master data efficiently, allowing for custom HR workflows to be created – and for straightforward self-services. The threads of HR administration, organizational management, time management, and payroll come together in one place. This gives you a panoramic view of your workforce, the HR system and, if necessary, external employees. The more you know about your staff and their capabilities, the better you can provide strategic support for your management. The new accessibility of data enables fast analysis and enhances your ability to provide information to management that can actually be used. You can anticipate (corporate) developments and respond ahead of time. Digital transformation is therefore ultimately about building a new HR strategy on a foundation of digital technologies.

Step 2: Optimizing Recruitment and Staffing:

Modern HR solutions can automatically place your job ad on thousands of sites. The results are shown to you in clear dashboards. Individual departments can rate candidates easily and objectively according to pre-defined skills. The goal is to have “the right people in the right place.” Applicants can register on your careers page directly with their current profile from social media. This way, those interested can smoothly respond to your ads. All of this means fewer headaches for you and supports successful recruitment.



Step 3: Efficient Employee Initial Training and Integration:

New employees benefit from a structured, customized onboarding process. Digital assistants can help to conveniently take care of all the first-day formalities. Meanwhile, you can define individual targets for your new employee's first 30, 60, or 90 days. This motivates new employees and focuses their activities on business objectives – right from the start.

The right people in the right place.

Step 4: Establishing New Management Methods:

Employee performance should always be assessed fairly and transparently. You should use assessment criteria in the form of SMART goals: Specific, Measurable, Attainable, Realistic, and Timely. Your HR software should support this approach. This way, you ensure that your team understands your corporate strategy and can implement it in its day-to-day work.



We work together across borders to address challenges, which has allowed us to establish a centralized solution for managing group-wide HR processes with the internal rollout of SAP SuccessFactors. With the aim of process standardization in mind, we have created the basis for future growth and innovation.

Norbert Rotter, Chief Executive Officer, itelligence AG





Step 5: Guiding Teamwork and Networking:

Create collaborative systems that promote internal social networking, such as chat functions that allow employees to share information informally. Team members should receive project status reports automatically, be able to share documents, and see amendments at a glance.

Step 6: Building a Continuous Performance and Assessment System:

Individual employee goals should be clearly and transparently aligned with corporate strategy – and the requirements of change. You know the corporate strategy and your contribution to the company's success. With the help of an integrated HR tool, your staff will also know how they can contribute to success. The company's goals are presented transparently for employees. Performance can be precisely assessed and compared according to defined criteria – with pre-existing formulations, 360° appraisals and configurable processes. Naturally, a culture of feedback in both directions has to be maintained – digital tools assist in communication and in analysis.

SMART goals specific, measurable, realistic, and timely.

 The introduction of a new HR system landscape by itelligence was just the start of our journey into the digital world. With SAP SuccessFactors, our HR department is now state-of-the-art. By means of our trained specialist staff and intelligent functionalities, we are able to meet the highest compliance standards.

Veronika Winter (HR) and Carla Galster (IT), Vetter Pharma-Fertigung GmbH & Co. KG

Step 7: Building an Efficient Professional Development System:

Make sure that you use HR tools that build a central skills database and connect a talent academy that motivates employees with tailor-made continuing professional development. Employees should manage and maintain an overview of their own e-learning and training opportunities, and be able to gain certificates online. In turn, you know at all times who needs what training, and can provide verifiable evidence of training. Employees are automatically assigned a learning plan based on master data. Notifications remind them when training is coming up or overdue. Teams can also access and share mobile learning content at any time. This way you create an inspiring and modern learning environment, which promotes talent and contributes to long-term loyalty.



You can decide the order to take these steps in, or which steps to skip, based on the individual requirements of your department.

Maintain a culture of feedback.

Introducing a New HR Solution – without Breaks

The potential of state-of-the-art HR solutions is staggering. But introducing them requires some finesse. This is because any major IT project means changing business processes that have been in place for years, the ways in which employees work, organizational structures and forms, and the established methods of communication.

HR managers are affected by this directly when IT projects are implemented in their own department, such as new tools intended to optimize teamwork, timekeeping, talent management, or administrative HR processes. They are also involved indirectly when, for example, a new departmental solution in production causes resentment. Or if a team is lacking certain (soft) skills and specific expertise for new processes. In both cases, HR managers will have many hats to wear: as recruiters, decision-makers, mediators, staff managers, strategic partners to management, and change managers.

By sheer numbers, the potential business impact of exceptional employee experiences is undeniable:

40%
lower turnover than
the average
company,

17%
higher productivity
per employee,

3x
more revenue per
employee.

Source: SAP SE, Gallup 2016 study, 2018 study



Intervening in a Living System

New IT changes the relationship structure and cooperation between employees, sometimes just within their department, sometimes in the company as a whole. The impact is like intervening in the company's living, socio-technical system, a sensitive system in which people and technologies work together to produce a specific result. And so this also falls within the purview of HR managers.

Even when a new solution offers more sophisticated and better methods, it can meet with stiff resistance. Whatever happens, employees will be confronted with new scenarios, tasks, and ways of working. As the teams will also usually not yet be aware of the many possibilities, they will keep reverting to outdated functions and not implement the new solution systematically. This ties up unnecessary resources and increases the complexity and costs of business processes.

Such scenarios arise especially when multiple projects follow in quick succession or have to be done at the same time, as is the case when implementing an elaborate IT roadmap. In order to keep conflicts, detrimental tension, unforthcoming acceptance or user skill levels from harming the success of an IT project or entire departments, active change management is advisable. And this is where HR specialists come into play as change managers. Because change is always about employees – about acceptance, learning something new, insight, motivation, and trust.

Even if the reason it all begins doesn't seem like a big deal, it can have far-reaching consequences. Three examples: a new team has to be formed or an existing team has to be changed for an IT project; a team's duties change fundamentally as a result of new SAP technologies; the team gets a new manager in the middle of an IT project.

What you ideally want to do is to be proactive to prepare the organization and the people for change and get them into shape for something new. Working together, management and HR have to ensure that:

- tasks and responsibilities are clearly regulated;
- processes function smoothly;
- teams work together reliably and efficiently (team development);
- applications are used as intended.

When overseeing an IT project, the aim of change management is ultimately to enhance process reliability. Those in charge convey the security and confidence so that the IT project resonates with users. The often rocky road to change then ends in efficient processes that you can count on. That is the crucial value added for the company.

87%
employees expect their employer to support them in balancing work and personal commitments.

Source: Forbes Media LLC, Author Naz Beheshti



 With SAP SuccessFactors Recruiting Management our national subsidiaries collaborate as a single unit. The results are a constant pipeline and structured talent recruitment. As our implementation partner itelligence has convinced us at every stage.

David Martinez, Head of Human Resources & General Affairs, Hyundai Motor Europe GmbH

Successful transformation processes are based on trust and commitment on the part of employees and management. And ideally, the HR team – through organizational and HR development – ensures that companies, IT systems, and employees fit, grow, and develop together.

However, not every HR department has the expertise this takes. What they need then is an external partner, and maybe technological support, to fulfill their new duties. And the resources are also often unavailable. It can be helpful here to think about streamlining day-to-day HR-processes, for instance by automating administrative activities, thereby creating more freedom for strategic work – such as shaping a change project.

Where are you today? Where would you like to go? Do you need freedom for strategic HR activities or more transparency for sound, faster decisions? We can help you with pragmatic solutions for recruitment, analytics, skills management, learning, master data management, payroll, and succession planning – tailored to your specific HR requirements.



Three real-world examples – this is where we have already successfully introduced SAP SuccessFactors:

- [Vetter Pharma-Fertigung GmbH & Co. KG](#) (Pharmaceuticals)
- [Hyundai Motor Europe GmbH](#) (Automotive Industry)
- [itelligence AG](#) (IT Services)

Figure 2: itelligence Fills in the Gaps with the Functionality for Your Industry Demands



We Transform. Trust into Value

We are an NTT DATA company and we focus on SAP solutions to create value for our clients all over the world. As a partner, we help them transform, grow and be more successful. That's why people trust us. All over the world.

To find out more, visit www.itelligencegroup.com



We work with you to find the right solution to your HR challenges. Get in touch today to organize a workshop with us.

Contact us

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