A FINANCE TRANSFORMATION JOURNEY THROUGH END USER'S EYES

Joann Bronson, Head of the CFO Office, Zurich North America

SID #84513

About the Speakers

Joann Bronson

- Head of the CFO Office, Zurich North America

- Worked for Zurich for 19 years across Finance roles in U.S., U.K. and Switzerland

- Visited 23 of 30 Major League Baseball ballparks (plan to finish in 2020)

Key Outcomes/Objectives

1. What does transformation mean?

2. Why change management is so important to success

3. How do you tap into an end user's talents and concerns to meet an enterprise's business goals and provide the best learner journey?

4. See how a change-centric approach supported a successful move to S/4HANA for Zurich North America

Agenda

- Overview of SAP Transformation Project
- Why Transformation instead of Implementation?
- Change Management Matters
- Training Objectives & Delivery Approach
- Engaging the End User Community
- Following the Learner Journey
- Sharing Information across Various Channels
- Measuring Your Success
- Additional Resources
- Q & A

20 Years in the Making and Well Worth the Wait!

- Continued our Finance Transformation journey by **upgrading to the latest SAP solution S/4HANA**
  - **Go Live January 1, 2019**

- Implemented **multi-ledger** to **enable IFRS 17 reporting capabilities** as a "leading ledger" while also allowing for STAT and GAAP views

- **Upgraded to new reporting toolset**, providing **flexible and integrated analytics**

- Adopting a **single, consolidated data source** to enhance data transparency, availability and uniformity

- **New document management and workflow tool** (Journal Entry Compliance and A/P)

- Improving our **Customer Experience** via **enhancements to the FSCD module**

- **Moving SAP Security Access provisioning** from IRAM to **MyAccess/GRC** identity management solution

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Why Transformation instead of Implementation?
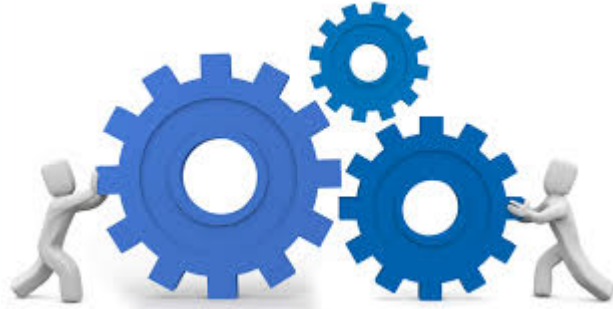
Adding new systems that are often built / driven by the IT group to an organization, including all project justification and preliminary work – approvals, planning, resourcing, involvement, etc., are often known and referred to as an *Implementation or Implementation Project.*

People-centric programs focused on improving processes and/or behaviors that provide the right leadership engagement and end user opportunities to bring about organizational change and utilize system enhancements and process changes to drive new ways of working are truly *Transformation*.

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Change Is Everywhere

| Macro Drivers	Micro Drivers
— Cost optimization	— Reorganizations
— Regulatory changes	— New leadership
— New generation entering the workforce	— New team/direct reports
— Entry to new markets (geographical or product)	— New or changing processes
— New technology and systems	— Changing role and/or responsibilities
— Acquisition or divestiture	— Different performance measures/metrics

And Very Difficult…

Of major change initiatives fail

70%

This was the case in 1996 when John Kotter began his work in Change Management, and it is still true today

…There is a need for a different approach to Change Management…
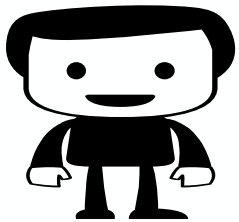
Over 2/3 of large US companies are managing significant change (transformation, global expansion and product launches and M&A), the outcomes are not always as expected

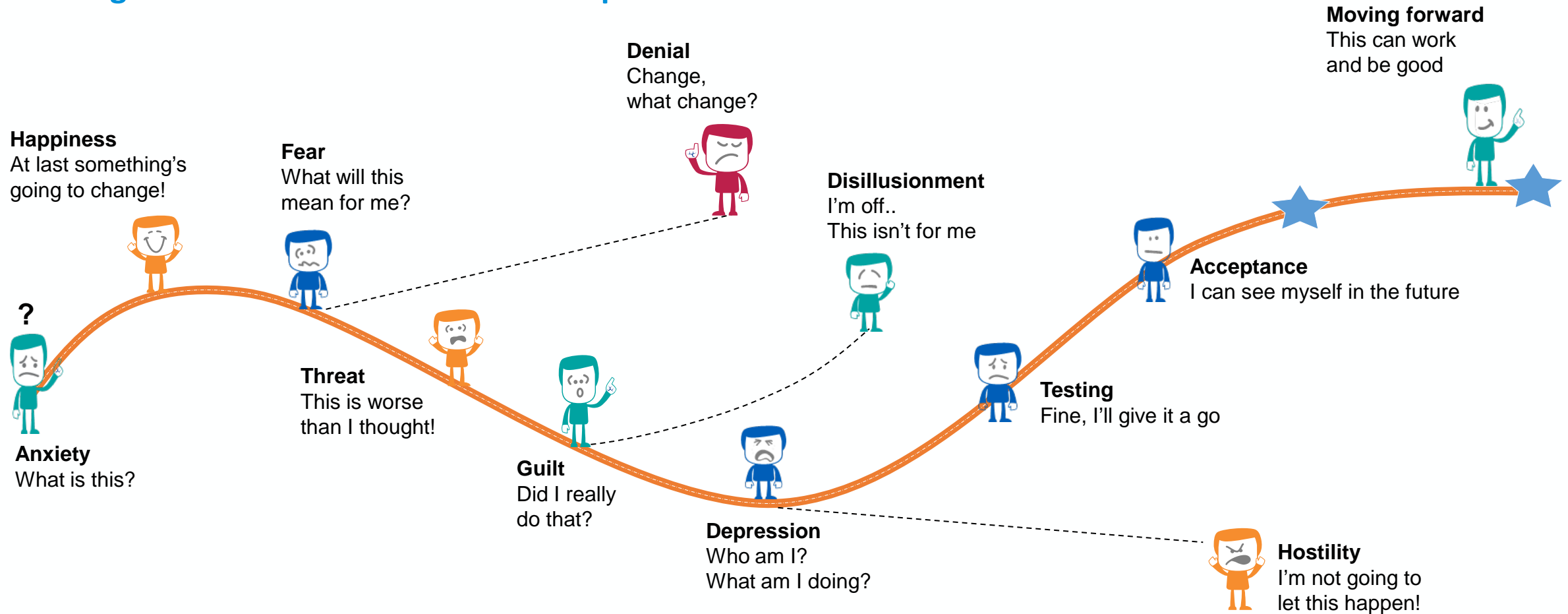|	
70%	of major change initiatives fail
57%	of companies face a decline in productivity
41%	of companies face a decline in employee morale
34%	of proposed M&AS fail to reach desired outcomes

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Why? Because as Individuals, We Kinda Hate It…

Change can cause a rollercoaster of responses and emotions

And Organizations Only Scale This Effect

This is manifested in a multitude of ways

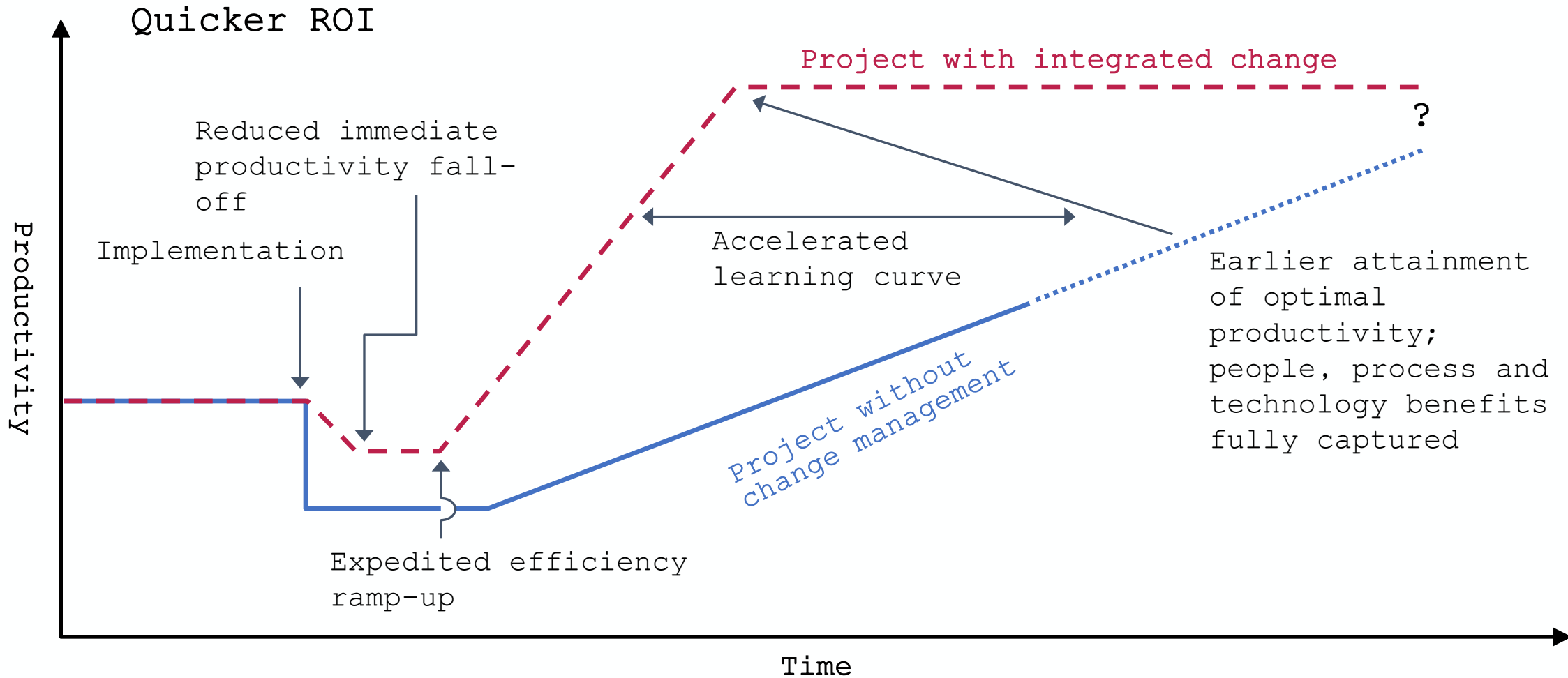| Resistance to change	Confusion and anxiety	Falling employee engagement
I have been doing things this way for a long time and it's always worked – I do not see the **need for change**. My **manager** has not changed her behavior... I do not see why I should!	I **do not know** what I am meant to be doing How does this **change** affect me personally? Do all these changes mean I am going to **lose my job**?	I am **confused** and **demotivated**, I am going to start looking for another job. I will do the **minimum possible** and see what happens.

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The Business Case for Managing Change

Quicker ROI

Project with integrated change

?

Reduced immediate productivity fall-off

Implementation

Productivity

Accelerated learning curve

Earlier attainment of optimal productivity; people, process and technology benefits fully captured

Project without change management

Expedited efficiency ramp-up

Time

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And Some Other Collateral "Damage"

All that change management and a bag of chips…

— The **pace and frequency of change across organizations continues to increase**; successful companies can respond and manage change in a way that drives business results

— The ability to lead and manage change is one of the **most sought after skills/capabilities** within companies (for both leaders and staff)

— A company's ability to achieve business results and its intended Return on Investment **(ROI) is directly related to the ability to lead and manage change**

— Leading change is a leadership **skill increasingly sought after in the marketplace and a key competency for success**

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Training Objectives and Critical Success Factors

Training Objectives:

Ensure users have access to **accurate and comprehensive** training and support materials

Develop a network of highly trained Trainers, Course Reviewers and Core Team Members capable of supporting teams with the transition before, during, and after go-live

Train users across impacted stakeholder groups on the **new processes and procedures** they need to follow

Limit the productivity dip and the need for ongoing support as a result of the transition to new processes and tools

Accelerate user adoption of the new processes and tools, and **reduce user anxiety** of the transition

Support knowledge transfer to Zurich so the team can be self-sufficient in the future

Critical Success Factors:

1. Leadership Commitment

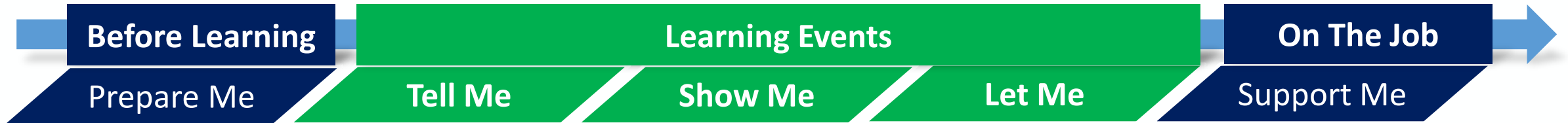2. Technology / Infrastructure & Implementation Support

3. Business Process Support & Cross-Team Communication

4. Stable Scope / Cadence

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Training Delivery Approach

- Materials and training for Trainers will be developed and delivered
- For maximum knowledge transfer, a "Tell Me, Show Me, Let Me" approach will be utilized

Before Learning	Learning Events			On The Job
Prepare Me	Tell Me	Show Me	Let Me	Support Me
Prepare Me	**Tell Me**	**Show Me**	**Let Me**	**Support Me**
• Communication to end users • Course descriptions and catalog	• Concept slides • Process flows • Roles • Transactions	• Live system demos • Run simulations • Review reference materials	• Hands-on practice • Exercise data sheets	• Repository of Training materials • Desktop procedures • Hypercare and super users

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Engaging the end user community

As an end user it's important to know the direction the program is headed. We developed a customized journey providing as much support (on-demand, self-service, SMEs, etc.) as an individual needed; regardless if they were an enthusiastic supporter and early adopter or a hesitant resistor.

Communications & Stakeholder Engagement
— Frequent and detailed communication to increase awareness / readiness for the transformation
— Using Top 5 communications as 'Lessons Learned' topics for future go lives

End User Support
— Established Trainers and Ambassadors to serve in multiple roles: communicators, trainers, support, etc.
— Hypercare Support: Dedicated first line of assistance, and a Help Desk to be stood up post-go live

Ambassador Network
— Team members within various functions and locations to help drive awareness and adoption
— Professionals from a wide range of functional teams to champion the change

Training
— Initial Program Overview sessions to build general knowledge
— Role-based, process-oriented classroom training and quick reference guides to assist in the transformation
— Self-Service Micro-Learning

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Communicating with influence

Ambassadors provided a two-way communication channel between the project team and end users. Regular communications allowed cascaded messaging to the employees and escalation of issues back to the project team.

Ambassadors

1. Listening to the end users provided a direct opportunity to adapt the process to meet the needs of the many.

2. Communications were clear, concise and limited to keep end users' attention and focus.

3. Ambassadors asked the right questions of the end user groups and helped the project team in providing the follow-up answers.

4. End users always knew their advocate and how to get the help they needed.

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Building rapport & understanding

UAT Testing, Deep Dive Sessions, Ambassador Meetings and Lunch and Learn Sessions were key tools that helped build understanding from the end users. These options allowed end users an early view of the system and processes to help demystify the new system and build readiness and understanding.

1 **End user community**

Participation in these various offerings increased camaraderie in the end user community around the change. This enabled impacted employees an opportunity to learn about the changes in a casual setting.

2 **Trust and relationships**

Hosting individual sessions (as needed) allowed leaders to build upon relationships. Building relationships is a win-win as end users were able to gain exposure to the system and leadership and were more apt to help support the business transformation.

3 **Communication and training events**

We did not take one path as we helped end users build understanding; we took many. We engaged key individuals early as UAT testers to get early adoption and understanding. Subject Matter Experts developed the content to share key details on business areas that were changing, and our Ambassador Network always had homework to both share information and ask questions.

Informing the end user community

Pre-go live activities were hosted, encouraged and, at times, required throughout the project. Communications took on multiple formats including individual emails and Ambassador Network conversations.

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Listening to stakeholder feedback

What Our Stakeholders Are Saying

"We have a morale issue which is dampening the excitement about the large investment and the benefits of this transformation."

"We need to understand the future; this program is one piece of a larger effort."

"It's an imperative; it's impossible to grow without this transformation."

"This was our opportunity as an organization to achieve transformation. I'm concerned we're getting to the point where we're just going to start delivering and not delivering transformation we are trying to ... where we are just lifting and shifting capability."

"This requires we collaborate together and work through the changes."
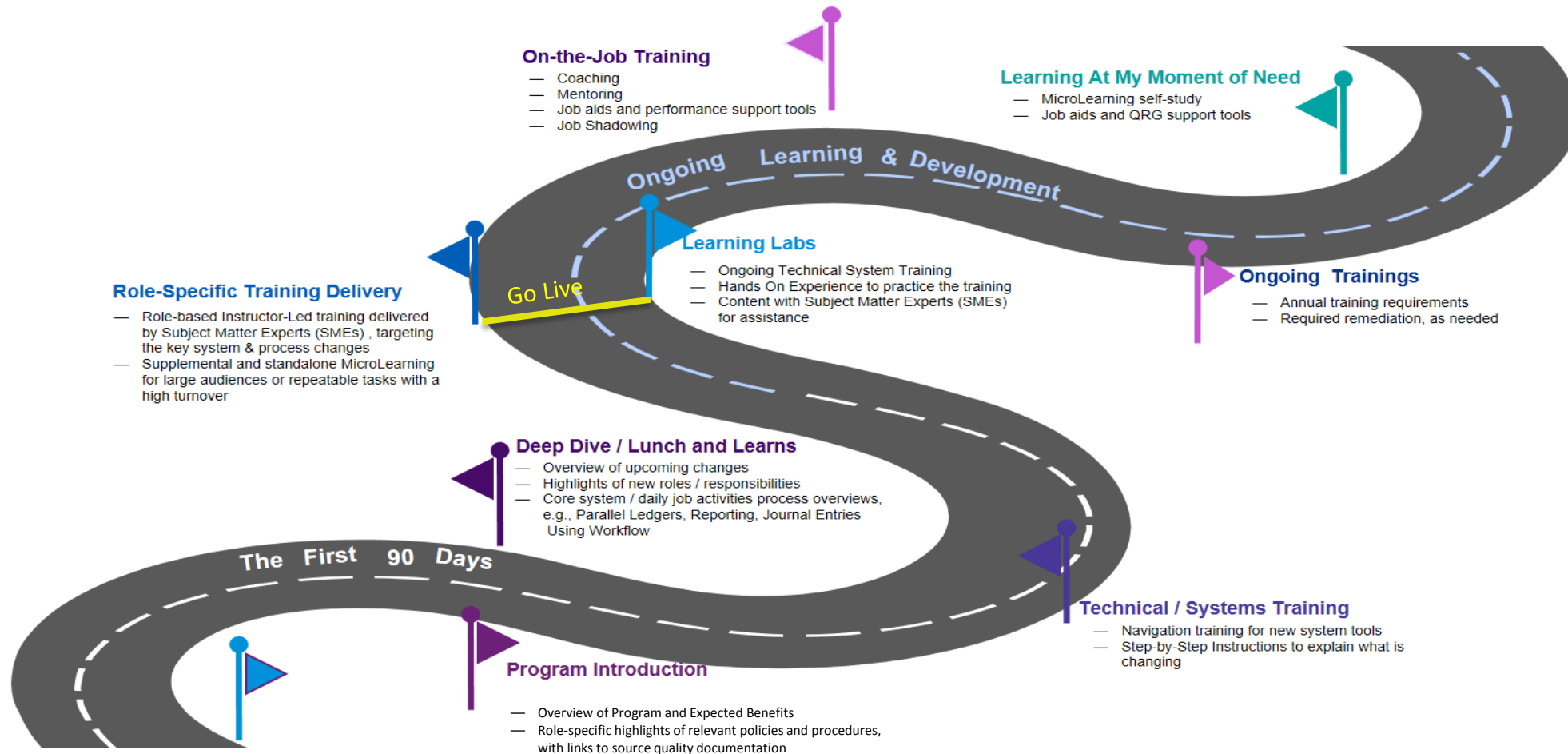
"Our teams have lost sight of our Customer Experience focus due to pressures of cost savings lately."

"We want to plan for the future. How do we get there now and in the future?"

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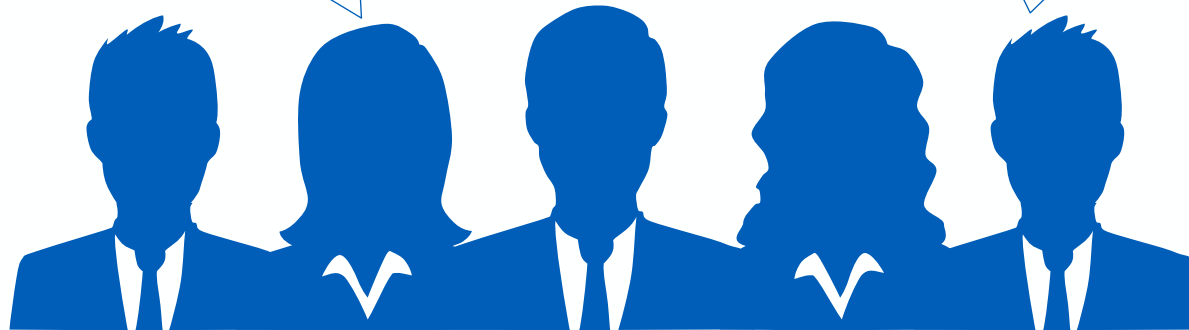
Following the Learner Journey

As end users, a learner journey was developed based on user-specific system roles. Each learner journey allowed the end user to explore the best options for their professional growth.

On-the-Job Training
— Coaching
— Mentoring
— Job aids and performance support tools
— Job Shadowing

Learning At My Moment of Need
— MicroLearning self-study
— Job aids and QRG support tools

Ongoing   Learning   &   Development

Learning Labs
— Ongoing Technical System Training
— Hands On Experience to practice the training
— Content with Subject Matter Experts (SMEs) for assistance

Ongoing Trainings
— Annual training requirements
— Required remediation, as needed

Role-Specific Training Delivery
— Role-based Instructor-Led training delivered by Subject Matter Experts (SMEs) , targeting the key system & process changes
— Supplemental and standalone MicroLearning for large audiences or repeatable tasks with a high turnover

Go Live

Deep Dive / Lunch and Learns
— Overview of upcoming changes
— Highlights of new roles / responsibilities
— Core system / daily job activities process overviews, e.g., Parallel Ledgers, Reporting, Journal Entries Using Workflow

The   First   90   Days

Technical / Systems Training
— Navigation training for new system tools
— Step-by-Step Instructions to explain what is changing

Program Introduction
— Overview of Program and Expected Benefits
— Role-specific highlights of relevant policies and procedures, with links to source quality documentation

Sharing information in different ways

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Measure your success

Track

Track end user completion to provide real-time feedback and updates needed for training materials.

Identify

Identify opportunities for Learning Labs in key areas to help develop further understanding pre- and post-go live.

Create

Create an increased sense of importance with end users with executive-level communications and sentiment surveying.

Confirm

Confirm end users' knowledge of what is changing before and after go live to provide confidence in their daily tasks.

Adapt

Adapt to the individual end user's learning style to help guide individual end users toward a successful training experience.

Report

Report your outcomes to your Steering Committee and broader organization to identify successes and opportunities for improvement.

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Measure your success (continued)

1. Track end user completion to **provide real-time feedback and updates** needed for training materials.

2. Identify opportunities for Learning Labs in key areas to help **develop further understanding** pre- and post-go live.

3. Create an **increased sense of importance** with end users with executive-level communications and sentiment surveying.

4. Confirm end users' knowledge of what is changing before and after go live to **provide confidence** in their daily tasks.

5. Adapt to the individual end user's learning style to **help guide individual end users toward a successful training** experience.

6. Report outcomes to the Steering Committee and broader organization to **identify successes and opportunities for improvement.**

Measure your success (continued)

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I understand why the organization is undergoing this SAP Transformation.	55%	33%	7%	2%	3%
I am satisfied with the level of communications I received related to this program.	29%	43%	15%	7%	5%
I understand the key changes that are part of this program.	37%	40%	14%	6%	2%
I am aware of the transformation benefits.	43%	36%	13%	4%	3%
I understand what the impacts to my role are as a result of this change.	38%	38%	13%	8%	3%
I am confident about this change.	27%	40%	21%	7%	3%
My group seems confident about the transformation program.	22%	39%	24%	8%	4%
I think the online training was helpful for my role.	18%	37%	19%	13%	7%
I think the live training has provided me with the basis for doing my job in the new system.	23%	35%	19%	9%	5%
Overall, I am feeling positive about the SAP Transformation.	24%	46%	20%	7%	3%

Key responses on recommended training improvements

"Refresher training would be helpful after go live as most of the training was done earlier. I know there are training materials, but *reinforcement of in-class training has benefits*."

"There were gaps in the training from the perspective of how [xyz] submission would work and that there was an approval process. There was *no training on the approval process* for assigned approvers. There is no procedure for substitutes or how to handle approvals if the approver is out of the office."

"In the training for [Team 2] specifically, there was no appropriate [Team 2] level journal entries or such. Most left confused at the level provided. There *needs to be more [Team 2] examples* in these types of trainings/communications."

"It would have been helpful to have a *complete list of t-codes from the old system and a map to the t-codes in the new system*. I received a very partial list and it was not useful. There should also have been one master SharePoint site with documentation instead of several different ones."

"I think we should have had a *face to face training sooner*. Management (VP's, higher ups) weren't aware they were required to approve electronically. That was lost in the communication which delayed paying vendors and helping our customers."

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Learn more about change management methodology

A — AWARENESS OF THE NEED FOR CHANGE

D — DESIRE TO SUPPORT THE CHANGE

K — KNOWLEDGE OF HOW TO CHANGE

A — ABILITY TO DEMONSTRATE SKILLS & BEHAVIORS

R — REINFORCEMENT TO MAKE THE CHANGE STICK

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Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:
http://info.asug.com/2019-ac-slides

Q&A

For questions after this session, contact Joann Bronson at
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