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IBM's Organizational Change Management (OCM)

CIO Academy
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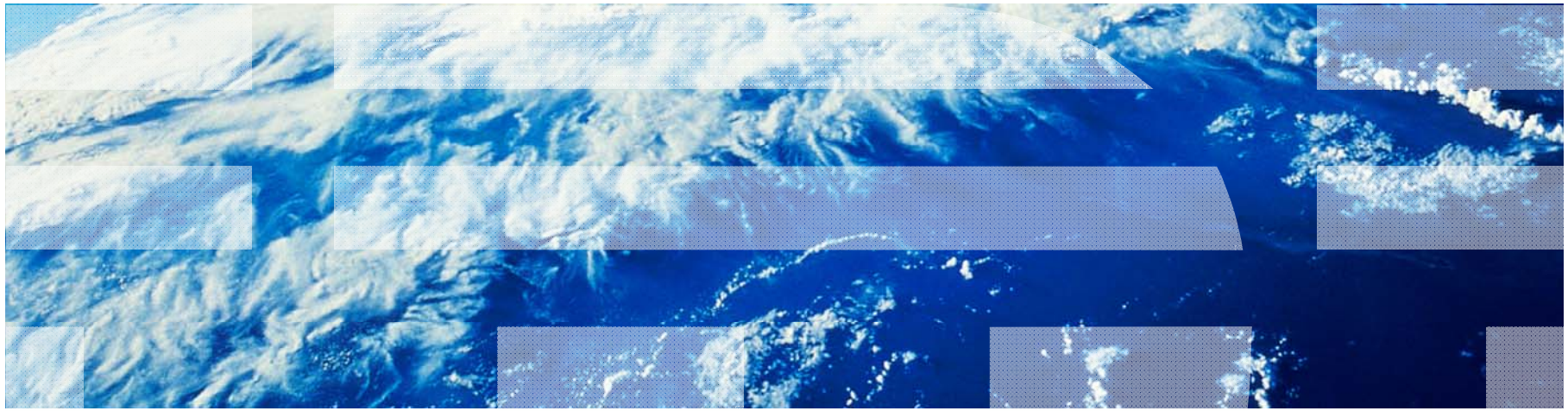

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Organizational Change Management

Why?

- IBM is in a **constant state of transformation**, engaged in a stream of **concurrent initiatives**
- Some IBM initiatives have experienced **uneven adoption and impact**
- **Need for a disciplined change management capability on key** transformational initiatives

betterchange for IBM

What we've done

- Launched a Center of Excellence to provide leaders with Organizational Change Mgmt. advisory services
- Deployed a common method and tools – *Better Change for IBM*
  - Vision and Goals
  - Leadership Commitment
  - Organizational Readiness
  - Employee Engagement
  - Organizational Alignment
  - Value Realization
- Strengthened change management capability of our leaders and teams, globally
- Embedded change management discipline into key transformation projects

***"Companies can no longer justify or afford an ad hoc approach to change management**...Improving project outcomes requires attention to a combination of acting on real insights, employing better skills, establishing solid methods and allocating the right investments."* *-Making Change Work Study, IBM Institute for Business Value*

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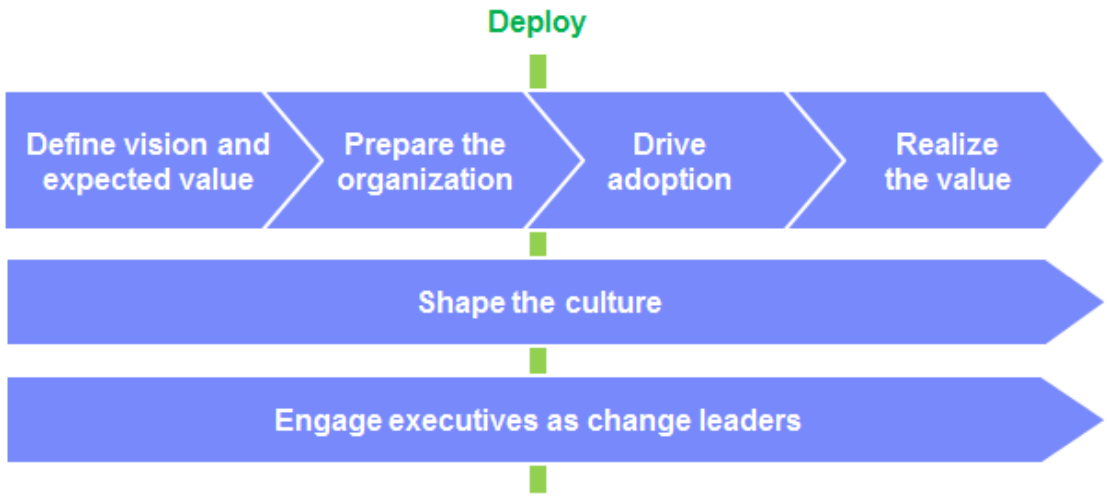
Change projects share the same key activities whether dealing with strategy, operation, organization, or technology



- Get the **vision and value** right…they are the essential, critical messages throughout the transformation
- Effective **adoption drives value realization** … both must be managed and monitored with rigor
- Shaping culture and **change leadership never stops** …continuing to reinforce adoption over time

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For the enterprise and the program, actions reflect an emphasis on executive leadership, culture, and value realization

IBM – the enterprise	Blue Harmony – the program
▪ Assigned senior executive for Transformation ▪ Established Integration & Values Team (I&VT) to engage executive population ▪ Trained over 1500 employees in change disciplines and tools ▪ Created a Center of Excellence on Change and Values ▪ Established 5-year roadmaps for focus on value ▪ **Sustained urgency and impatience** for results	▪ Established **principles** to encourage desired behavior ▪ Secured **senior executives** for steering committee ▪ Focused on **culture of accountability** within the program team ▪ Sustained **transparency** in communication with all stakeholders ▪ Focused stakeholder management on **executive leadership** for change ▪ Sustained focus on **Value Realization** since project launch ▪ Engaged **all stakeholders** as partners in design and deployment

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Among the lessons learned from IBM's transformation, two are key to effectiveness of change management

- Simplification and standardization on a global scale is **hard work**
- **Business-led** improvement is vitally important
- There's no such thing as too much **project discipline**
- There's no such thing as too much **communication**
- Start by **transforming your business processes** … don't automate your mess
- Be clear about your **compelling reason for change**...and that your entire organization recognizes it.
- Building a coalition for change is easy … **Keeping it together** is hard

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