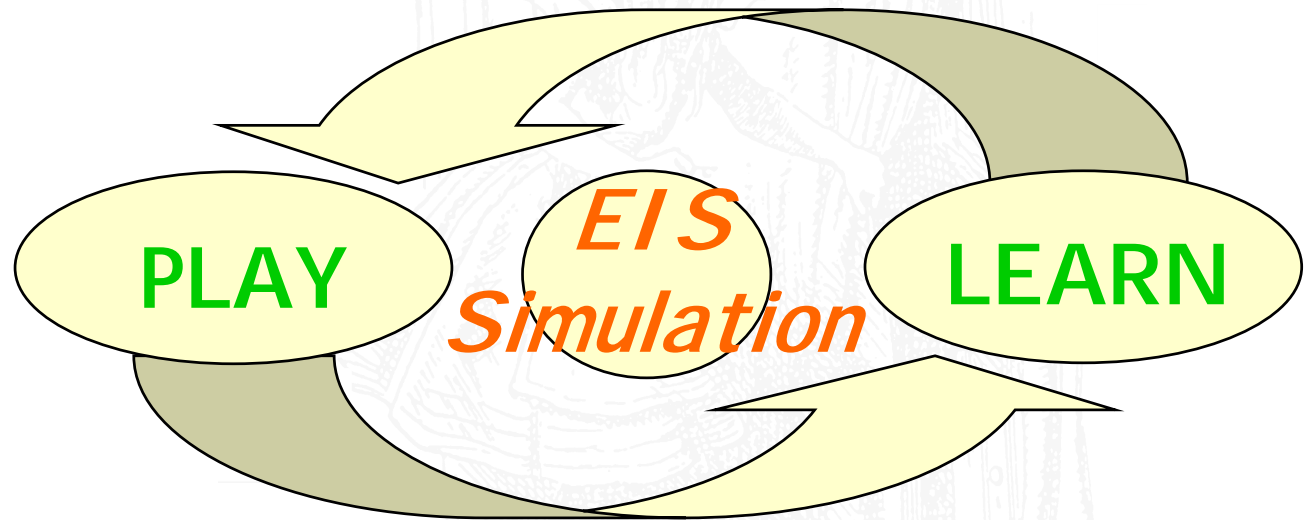


The Challenge of Implementing Innovation & Change



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Motivation

This first set of slides is a selection of those I use at the beginning of a session. Their objective is to focus the participants on (1) The relevance of understanding and managing change dynamics (particularly in the last few years), and (2) the fact that actually this is a domain in we are not very successful (and surely not as good as we sometimes believe and hope to be). A few slides are often enough to have participants reflect critically about their own and their companies' change competencies, or share the challenges they faced or are facing in critical projects. I typically conclude this first phase with the slide reminding the three key roles (strategists, agents and recipients) which helps me introducing the role they will play during the simulation.

Introduction

The second set of slides (see separate ppt) includes those I use to introduce the participants into the simulation, helping them to progressively (1) understand the difference from other simulations they might know (in which they deal with quantitative decisions, rather than with people), (2) getting into the role they will play (being change agents sent by the HQ of a large corporation to introduce an important innovation in the very successful and autonomy-oriented management team of a recently acquired company, whose information and reporting systems need now to be harmonized to the ones of the whole group), and (3) familiarize with the user interface of the simulation software.

Debriefing

A few slides (see separate ppt) I use to support the discussion of different points which might emerge from the presentations of the teams after the simulation. The debriefing is definitely the part of the session which is most dependent from the specific interests and challenges addressed by the participants groups and which can and should be hence customize accordingly.

Motivation

The first set of slides is a selection of those I use at the beginning of a session. Their objective is to focus the participants on:

- (1) The relevance of understanding and managing change dynamics (particularly in the last few years), and
- (2) The fact that actually this is a domain in we are not very successful (and surely not as good as we sometimes believe and hope to be).

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Change in Perspective !

“Business is going to **change** more in the next 10 years than it has in the last 50.”

*Bill Gates, Business at the
Speed of Thought, 1999*

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"Internet" vs "Our" Managerial Culture

"Internet" ← "Our companies"?

Transparency

Partial, multiple information
Lack of clear procedures

Sharing culture

Vertical info. sharing only
Retention within "Clans"

Process integration

Processes organized in "Silos"

Pooled Coordination

Top down processes,
sequential processes

Real-time Commitment

Several checks, vertically
organized

Horizontal structures

Hierarchical structures

Where, on the left-to-right spectrum are your companies?

Which change dimensions are the more challenging?

Change is often associated with Technologies, but is it just about adopting new technologies or about transforming culture and processes?

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Which type of projects did
your company launch in the
last decade?

How successful were they?

Which role did you play in
these projects and what did you
find most challenging?

Companies look for performance improvements

Business Process Reengineering

Empowerment

Activity-based Costing/Mgmt

TQM

Benchmarking

Network Organisations

Time-based Competition

Matrix Structures

Project-based Organisation

Concurrent Engineering

Cross-functional Teams

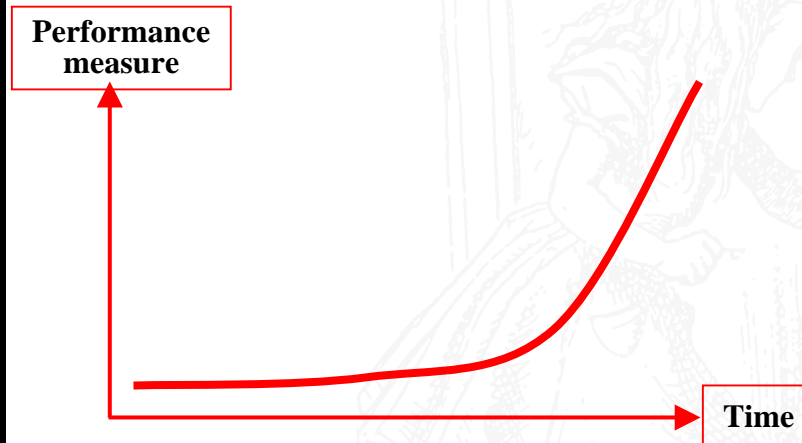
.... e-Everything, CRM, SCM, KM, ...

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The expectations ...



What we aim at ...

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Any examples of projects which had similar pattern (big announcements and resources allocation at the very beginning but then ...)?

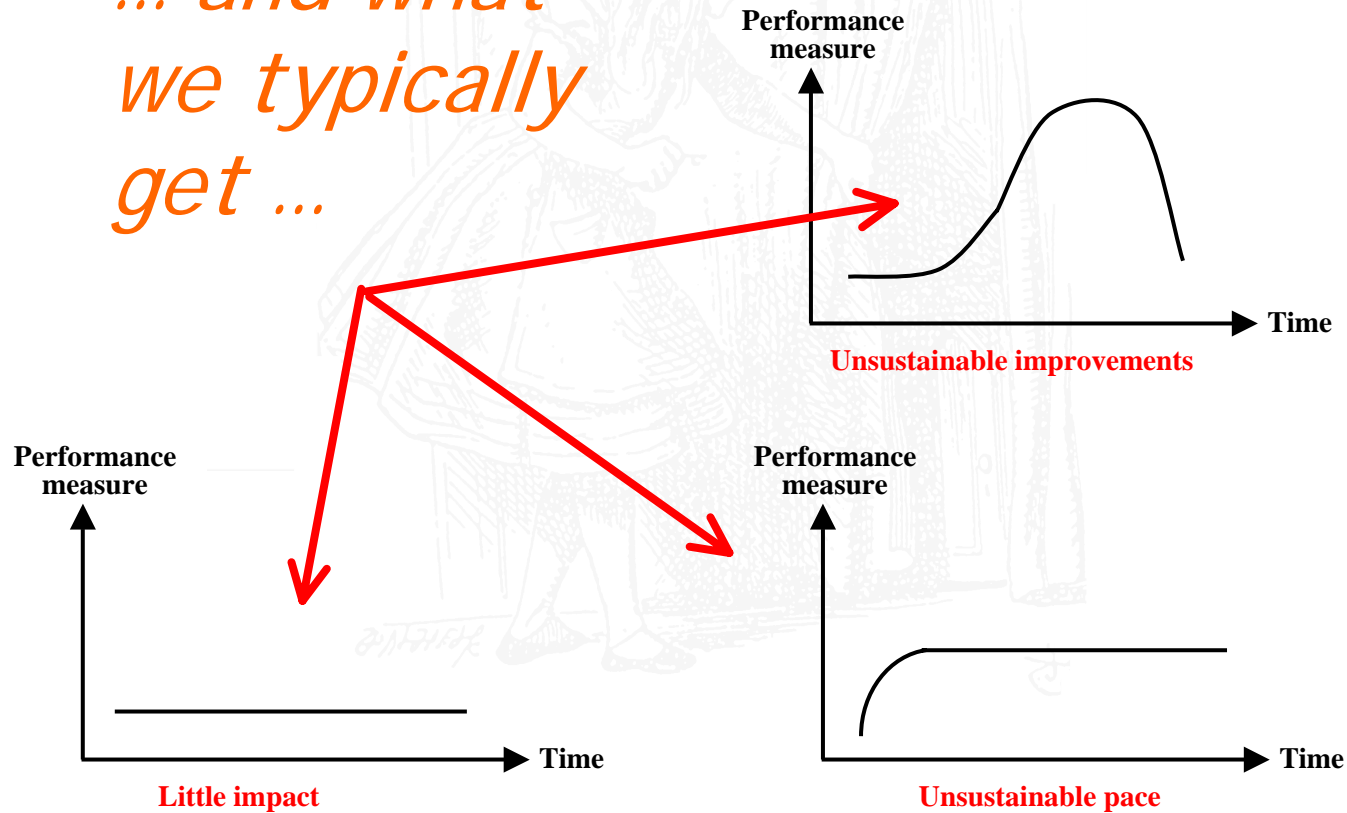
From where was the change initiated? From the bottom?

From the top?

From where did resistance come? From the bottom? From the top?

...the reality

... and what we typically get ...



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Change in Reality!

75% of all transformation efforts fail
50-75% of re-engineering projects fail
78% of IT projects fail

Key Factors:

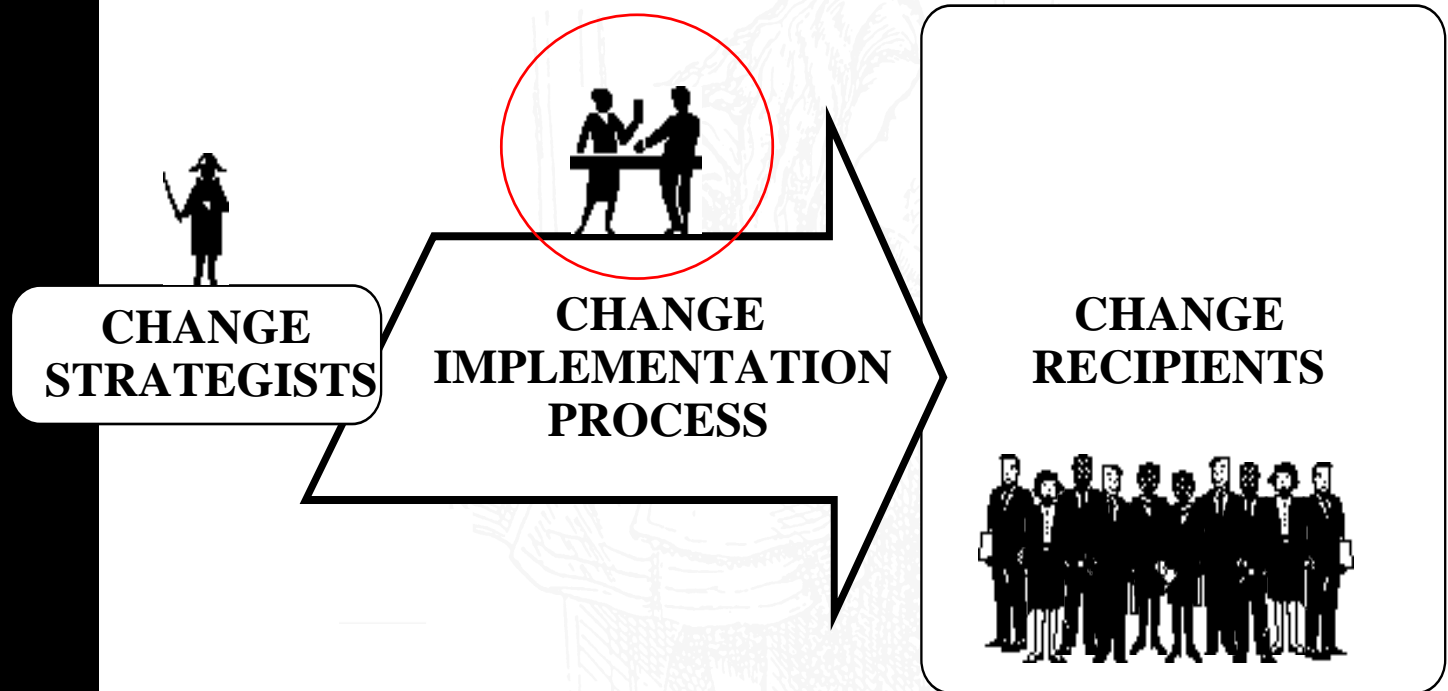
Organizational resistance	82%
Insufficient exec. sponsoring	72%
Unrealistic expectations	65%
Inadequate programme mgmt	54%
Unclear business case	46%
Lack of qualified resources	44%
Scope of expansion/uncertainty	44%
Ineffective leadership	43%

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The challenge ...



Understanding the dynamics of Diffusion, Change & Resistance

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