Organizational Change Management *using Business Architecture*

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Abstract

The Dura-Line brand is part of Orbia, a community of companies working to tackle some of the world's most complex challenges. The Orbia brands are bound by a common purpose: to advance life around the world. Orbia Connectivity Solutions (Dura-Line), along with its sister companies, Building & Infrastructure, Precision Agriculture, Fluorinated Solutions, and Polymer Solutions, address six of the 17 UN Sustainable Development Goals: zero hunger, good health and well-being, clean water and sanitation, decent work, and economic growth, industry innovation and infrastructure, and sustainable cities and communities.

This presentation brings attendees into Orbia Connectivity Solutions' year-one journey in starting a global business architecture practice for the purpose of building agility into organizational change management.

Established in September 2023, the practice is modeled on the strategic alignment of people, structure, metrics, rewards, processes, interfaces, and culture. In 2024, Dura-Line brand's KPIs are focused on behavior, with a targeted customer perspective through a capability lens. To support this transition, change management tools are leveraged throughout the PMO to reimagine a more resilient, disciplined approach to intentional culture management.

orbia Connectivity Solutions

dura·line

To connect cities, homes, and people worldwide, Orbia's Connectivity Solutions business group and business Dura-Line produces more than 500 million meters of essential infrastructure annually—telecom conduit, cable-in-conduit and other HDPE products and solutions—to line physical pathways for fiber and other advanced network technologies.

Objectives

Change Management

- Organizational Shifts
- Challenges in Change Adoption
- Role of the Project Management Office (PMO)
- Role of Business Architecture (BA)

Business Architecture

- Guiding Principles and Effective Steps
- Practical Frameworks for Establishing a BA Practice
  - Business Architecture Knowledge Base
  - Optimize Business Architecture for Value
  - Leveraging a Transformative Change Mindset
- Best Practices
  - Strategy Execution Management (Hoshin Kanri X-Matrix)
  - 3D Perspectives on RACI Stakeholders (RACI*3)
  - Meeting Structure, Cadence, and Etiquette
  - Creating Cultural Symbols

Change Management

The Only Constant is Change

- **Meet stakeholders *where they are***
  - Understand the current realities before prescribing next steps
- **Balance between *aggressive and relevant* goals**
  - Locations, teams, and projects each have their own maturity levels and microcultures which guide optimal pace
- **Inhale and *exhale***
  - Change teams must converge, but also diverge, to be effective
- **Change is inherently *stressful***
  - But stress doesn't have to be harmful, keep spirits high by consciously making the adventure fun and exciting

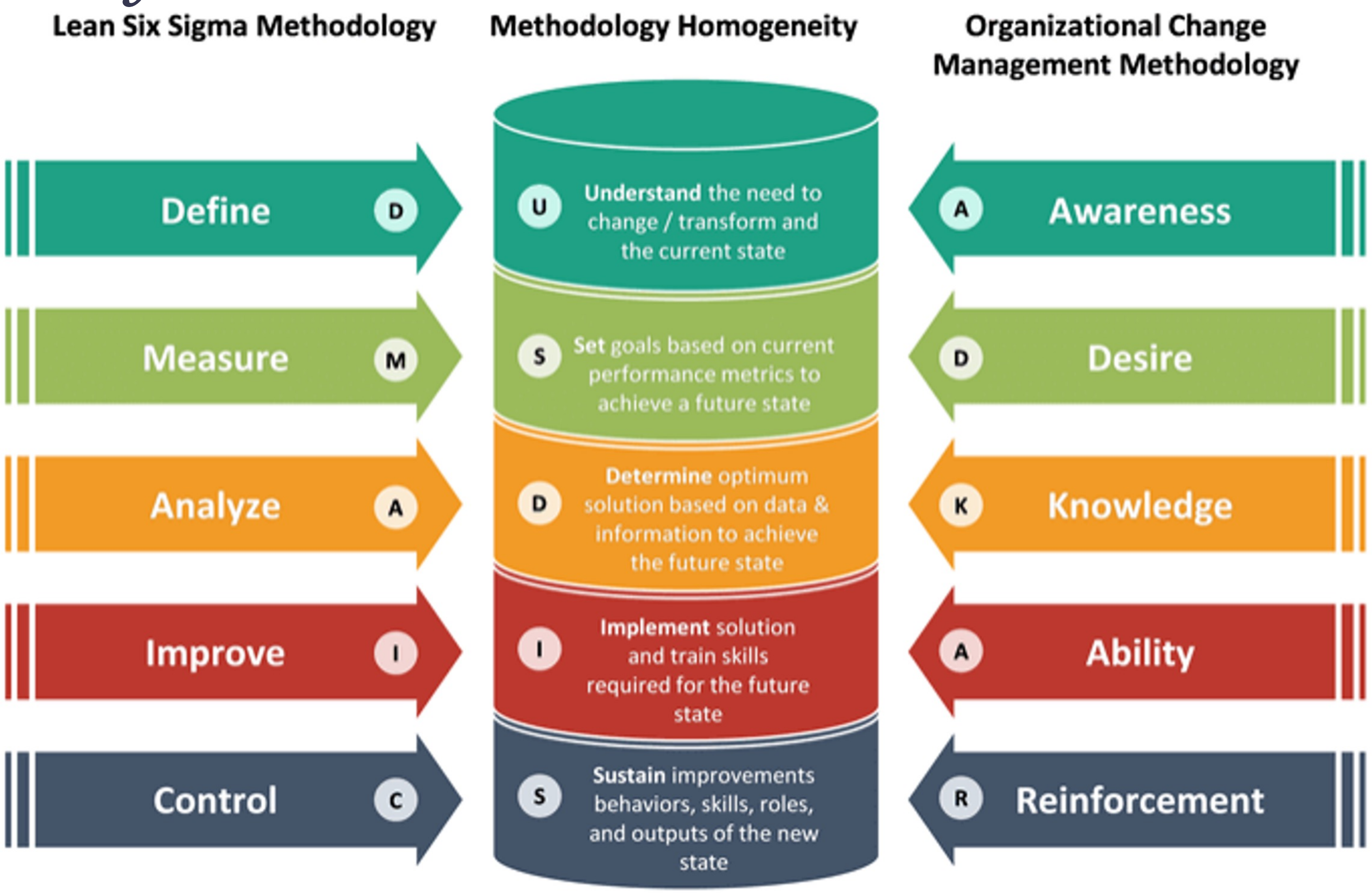
- ***Phase 1 Outer Bark:*** “Creativity,” the ground level, perpetual customer-facing phase, creates a crisis of autonomy in phase 2
- ***Phase 2 Inner Bark (Phloem):*** “Direction,” departmental and managerial separation, creates a crisis of control in phase 3
- ***Phase 3 Cambium Cell:*** “Delegation,” decentralization and growth, creates a crisis of red tape in phase 4
- ***Phase 4 Sapwood:*** “Coordination,” systematic control and recapture of ROI, creates a crisis of burnout in phase 5
- ***Phase 5 Heartwood:*** “Collaboration,” self control and cooperation, will likely create a crisis of cultural adaptation (i.e.: *fit*) for new recruits and lateral transfers in phase 6
- ***Phase 6 Cant:*** “The Future,” yet unimagined (i.e.: *we can’t yet know*)

Organismal refers to a natural state of organizational development, whereby rather than replacing or *burning down* the business architecture in iterations through restructuring, it grows organically, cultivated by adding new layers of upward management at the core while the existing layers increase and *mature*, as observed in the rings of a tree.

*An adaptation from: Greiner L. (1998, May-Jun.) *Evolution and revolution as organizations grow*. HBR Classic. Harvard Business Review. Harvard Business Publishing. Retrieved via: https://hbr.org/1998/05/evolution-and-revolution-as-organizations-grow

They don't Know *what They don't Know*

- Understanding requires Defining the Problem which leads to Awareness
- Goals must be measurable and Measured to create Desire
- Determining the best solution is an agile response to continual Analysis that builds Knowledge
- Implementation is two-fold, Improve things for the short run and people for the long run, Ability happens when they come together
- Sustainable solutions are Controlled through predictable Reinforcement
- *At the heart of it all is trust*



https://www.tpsearchtool.com/images/adkar-model-free-powerpoint-template

Role of the PMO: *Reduce Uncertainty*

Strategy Execution

Transparent Aspirations:

Why, How, How Far

Project Management

Achieving Together:

People, Planning, Value

Business Process

Common Course:

Roles, Flow, Output

Role of BA: *Support Strategic Execution*

"Business architecture enables effective, streamlined ***strategy execution***." -BIZBOK Guide v12

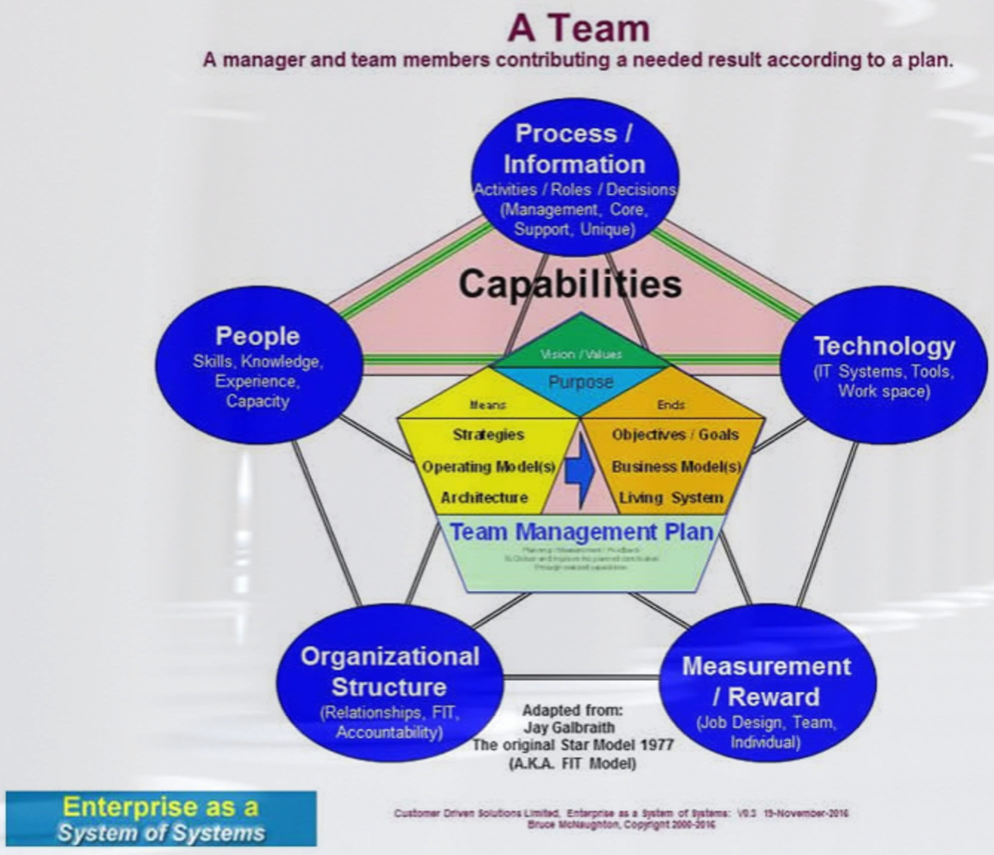


Figure 3.2.2 Sample Business Architecture Team Engagement Model

https://eaasos.info/Content/ExtStds/EX_BestPractice/16_StarModel.htm https://giphy.com/gifs/day-temple-3og0ILzLR4OxBmN6H6 https://www.businessarchitectureguild.org/page/BIZBOK

Business Architecture

Guiding Principles and Effective Steps
Practical Frameworks for establishing a BA Practice
Best Practices

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Guiding Principles and Effective Steps

Kotter's 4 Principles of Change Management

- Select few + Diverse many
  - Stakeholder Mapping and Analysis
    - Identify key stakeholders (the "few") who can champion the change.
    - Analyze their influence, interests, and potential impact on the change initiative.
    - Engage a diverse group of employees (the "many") to ensure broad buy-in and support.
- Have to + Want to
  - Communication and Engagement Plan
    - Develop clear and compelling messages about the need for change (the "have to").
    - Craft a communication plan that resonates with employees' emotions and motivations (the "want to").
    - Use various channels (town halls, newsletters, etc.) to convey the message effectively.
- Head + Heart
  - Training and Development Programs
    - Provide training sessions (head) to enhance employees' skills and knowledge related to the change.
    - Foster a positive organizational culture (heart) that encourages openness, trust, and collaboration.
- Management + Leadership
  - Change Governance Structure
    - Establish a governance framework that includes both management (process oversight) and leadership (people engagement).
    - Define roles, responsibilities, and decision-making processes.
    - Ensure alignment between project management and leadership activities.

Kotter's 8 Steps to Change Management

- Create a sense of urgency
- Build a guiding coalition
- Form a strategic vision and initiatives
- Enlist volunteers
- Enable action by removing barriers
- Generate short-term wins
- Sustain acceleration
- Institute change

https://www.forbes.com/advisor/business/principles-of-change-management/

Business Architecture Knowledge Base

- ## Build and Maintain a Knowledge Base
  - Start by creating a comprehensive repository of business architecture artifacts. This includes documenting business capabilities, processes, information flows, organizational structures, and technology components.
- ## Business Capability Maps
  - Develop capability maps that outline the core functions an organization performs. These maps serve as a foundation for understanding how different capabilities interact and contribute to value delivery.
- ## Process Models; in the context of BA's PMO superstructure at Orbia CS (Dura-Line)
  - Document end-to-end business processes, including their inputs, outputs, actors, and interactions. Process models help identify bottlenecks, redundancies, and opportunities for improvement.
- ## Data Architecture
  - Capture data flows, data entities, and data relationships. Understand how data supports business processes and decision-making.
- ## Technology Landscape
  - Describe the existing technology stack, applications, and infrastructure. Identify gaps and areas where technology can enhance business capabilities.
- ## Governance and Standards
  - Establish guidelines for creating and maintaining architecture artifacts. Define naming conventions, templates, and review processes.
- ## Continuous Update
  - Regularly update the knowledge base as the organization evolves. New projects, acquisitions, or changes in strategy should be reflected in the architecture documentation.

Optimize Business Architecture for Value

- **Holistic Strategic Alignment**
  - Ensure that business architecture aligns with the organization's strategic goals across the areas of people, structure, metrics, rewards, processes, interfaces, and culture. Identify areas where business architecture can drive value, such as cost reduction, process efficiency, or customer experience improvement.
- **Prioritize Strategic Business Architecture**
  - Prioritize initiatives based on their alignment with strategic business architecture. Focus on high-impact areas that contribute directly to strategic objectives, institute operational objectives to support the strategic priorities, and assess tactical objectives to quantify strategic execution.
- **Impact Analysis**
  - When planning changes (e.g., process redesign, system implementation, mergers), use business architecture to assess the impact on capabilities, standard operating procedures (SOPs), and stakeholders.
- **Business Case Development**
  - Quantify the value of proposed changes. Business architecture provides the context for understanding how investments translate into outcomes.
- **Solution Design**
  - Collaborate with solution architects to design solutions that fit within the existing business architecture. Avoid creating isolated silos.

Leveraging a Transformative Change Mindset

- **Define Success Metrics**
  - Clearly articulate what success looks like for the change.
  - Identify key performance indicators (KPIs) that align with both strategic and tactical goals.
  - Ensure KPIs Specific, Measurable, Aggressive, Relevant, and Timely.
- **Build a Transformation Roadmap**
  - Develop a strategic plan that outlines the journey from the current state to the desired future state.
  - Break down the roadmap into manageable phases or milestones.
- **Build a Cross-Functional Team**
  - Assemble a team with diverse skills and expertise.
  - Include representatives from various departments to ensure holistic perspectives.
- **Develop a Clear Communication Plan**
  - Establish effective communication channels within the team and with stakeholders.
  - Define how progress updates, feedback, and decisions will be shared.
- **Identify and Manage Risks**
  - Conduct a risk assessment to identify potential obstacles.
  - Create mitigation strategies to address these risks proactively.
- **Leverage Technology and Data**
  - Evaluate existing systems and tools.
  - Determine if new technologies or data-driven solutions are necessary for the transformation.
- **Continuously Monitor Progress and Adjust**
  - Regularly assess progress against the roadmap.
  - Be prepared to adapt and refine the plan based on continuous feedback loops and remain open to changing circumstances.

Business transformation guide: Strategy, process, and examples - LogRocket Blog

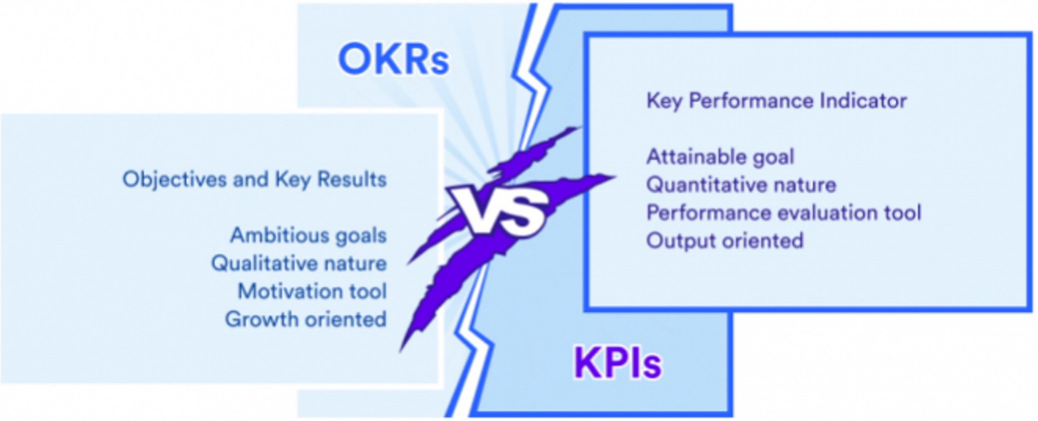
KPI Ecosystem

- ## Customer Centric
  - Who: Not every stakeholder is a customer, and not every customer is a stakeholder.
  - Who is making the most strategic impact to the bottom line? Where will the next wave of strategic impact come from?
  - Who is still useful, but no longer strategically relevant?
- ## Define People Segments
  - What: Which distinctions should be compiled, compared, or contrasted?
- ## Define Relevant Structural Groups
  - Where: Are adequate support structures already in place? If not, get building!
    - It’s okay to not have the whole the building put up overnight, start with a scaffolding if necessary.
- ## Appropriate Time Intervals
  - When: Are meetings happening before metrics are available or after they are no longer relevant? Do you have time to plan a work breakout session before the next one?
- ## Build Behavior
  - How Far: Document and Audit SOPs and Best Practices; use KPIs to verify or adapt effective policies, processes, and procedures. Build discipline over compliance.
- ## Methods and Methodologies
  - How: Well defined and more importantly, well communicated methods and methodologies, are the difference between creating a culture of trust or doubt.
- ## Drive Results
  - How Much: Do you want to build a culture of stretch or constraint? Are you willing to hold out for perfection? What does good enough look like?
- ## Measure Value
  - Why: Remember to start and end with the WHY. KPIs are time consuming to manage and improvements aren’t always obvious to everyone. And different people are motivated differently, they value different things. What is the fiscal value? The political value? The strategic value? The cultural/emotional value?

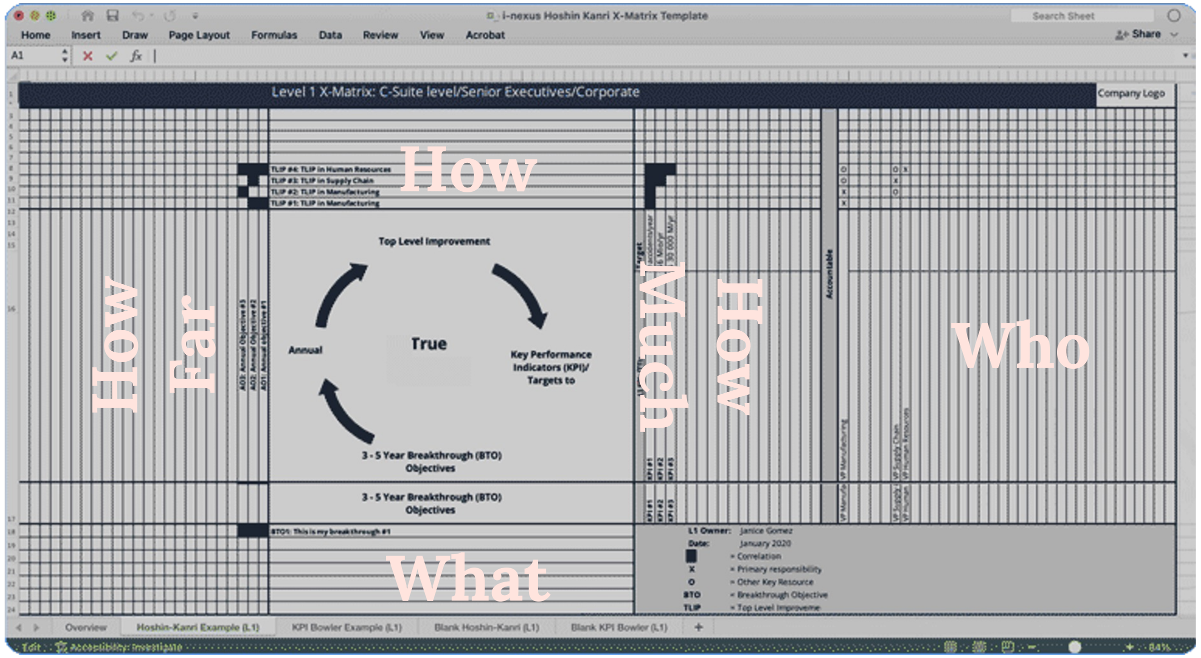
Best Practices

Strategy Execution Management

- ## Hoshin Kanri X-Matrix Critical Elements
  - What: 3-5 Year Strategic Objectives (Companywide)
  - How Far: Annual Objectives (Companywide)
  - How: Annual Improvement Priorities (AIP) Projects
  - How Much: Targets To Improve (TTI) Measured Results
  - Who: Team Members
- ## Common Enhancements
  - Solid primary indicators
  - Hollow secondary indicators
  - Matrix hierarchies (i.e.: Level 1 Division TTIs flow to Level 2 Department AIPs for delegation and additional specificities in TTIs)
- ## Next Level Controls
  - Linking specific OKRs (e.g.: People [HR] Annual Performance Goals) and KPIs (e.g.: Earnings Before Interest, Taxes, Depreciation, and Amortization [EBITDA] target) to Primary and Secondary responsible parties of TTIs
  - Sophisticated digitization is optional as whiteboards or MS Excel can be sufficient for most critical elements, however i-nexus and MS Viva Goals are two options among many for this purpose, if desired



OKR vs KPI: What's the Difference – Weekdone



https://info.i-nexus.com/i-nexus-digitalizing-x-matrix-video

3D Perspectives on RACI Stakeholders (RACI*3)

- ## Business Owner
  - Who are the RACI stakeholders involved from a business perspective?
  - People / teams who determine WHY a change is being considered or implemented.
  - Example: The RACI stakeholders managing the customer and sales personnel experience relating to the way state and country codes are displayed in reports. They manage the business cases.
- ## Process Owner
  - Who are the RACI stakeholders involved from a process perspective?
  - People / teams who determine HOW a change is being considered or implemented.
  - Example: The RACI stakeholders managing the workflow(s) determining the way state and country codes are changed or maintained in the system(s) the reports are pulled from. They manage the process flows.
- ## Data Owner
  - Who are the RACI stakeholders involved from a data perspective?
  - People / teams who determine WHAT change is being considered or implemented.
  - Example: The RACI stakeholders managing the data which displays state and country codes in the system(s) the reports are pulled from. They manage the coding used.

Category	RACI Role (Letter)
Business Owner (B) – Why?	Responsible (R)
	Accountable (A)
	Consulted (C)
	Informed (I)
Process Owner (P) – How?	Responsible (R)
	Accountable (A)
	Consulted (C)
	Informed (I)
Data Owner (D) – What?	Responsible (R)
	Accountable (A)
	Consulted (C)
	Informed (I)

Best Practices

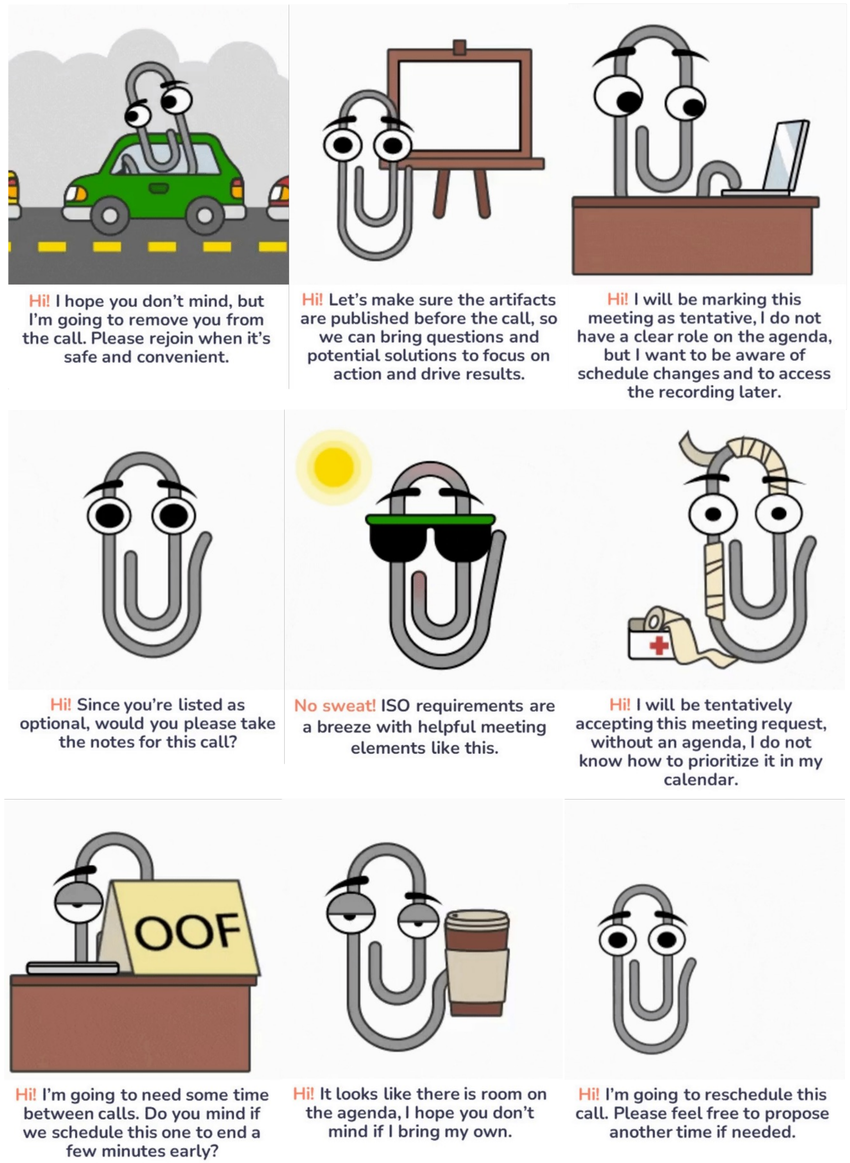
Meeting Structure, Cadence, and Etiquette

- **Follow the Business Architecture Process with a Change Management Mindset**
- **Start with WHY and end with HOW**
  - Make the time for human connection at the beginning and end
- **Use the tools you know**
  - Discover, Define, Repeat
  - Meetings in a MoSCoW
  - Stay on the RAILs
  - Converge within Scope
  - Diverge for Discussion
- **Balance Compliance and Performance**
- **Language matters, so does repetition**
- **Timing matters, set expectations early and often**
- **Remember to celebrate, not just move on from a win**
- **Identify both gaps and overlaps to improve efficiency and flow**

Best Practices

Creating Cultural Symbols

- **The Mission, Vision, and Values are memorable snapshots captured from a more comprehensive detailed mission.**
  - Customers: Who are the customers?
  - Products or Services: What are the major products or services?
  - Markets: Geographically, where do you compete?
  - Technology: Are you technologically current?
  - Survival, growth, and profitability: Are you committed to growth and financial soundness?
  - Philosophy: What are the basic beliefs, values, aspirations, and ethical priorities?
  - Public Image: Are you responsive to social, community, and environmental concerns?
  - Self-Concept (distinctive competence): What are your major competitive advantages?
  - Employees: Are employees a valuable asset?
- **The Guiding Principles are our values put in action. How do we recognize when our values are guiding behavior?**
  - Customers: How do we put the customer first?
  - Products or Services: How do we provide value?
  - Markets: How do we meet our customers where they are?
  - Technology: How do we connect for today and adapt for the future?
  - Survival, growth, and profitability: How do we measure success?
  - Philosophy: How do we live out our ideals?
  - Public Image: How do we portray ourselves and how are we perceived?
  - Self-Concept (distinctive competence): How do we set ourselves apart?
  - Employees: How do we become better?



Q&A