Cindy Hannafey
Managing Director
UHY Consulting

Cynthia Hannafey is a member of the firm's National Board of Directors and leads UHY Consulting's Transformation Solutions group. Cindy is a results-focused executive with more than twenty years of experience analyzing existing operations and implementing the strategies, as well as processes and technologies to address enterprise-wide challenges.

She provides strategy and vision; portfolio, program, and project management; software selection and implementation services; post-merger and integration services; and operational and financial process optimization services to client companies, excelling in the aggressive execution of projects that impact a client's internal operations.

Our UHY Affiliation

UHY Consulting is a management consulting firm that inspires clients to imagine and realize a company with unlimited potential, leaving lasting results that strengthen an organization and its people.

Affiliate of UHY LLP
A Top 30 national professional services firm with over 35 locations across the U.S.

Member of UHY International
Size and strength of a Top 20 Accounting and Consulting Network

+ 96 COUNTRIES

+ 9,700 PROFESSIONALS

+ 334 LOCATIONS

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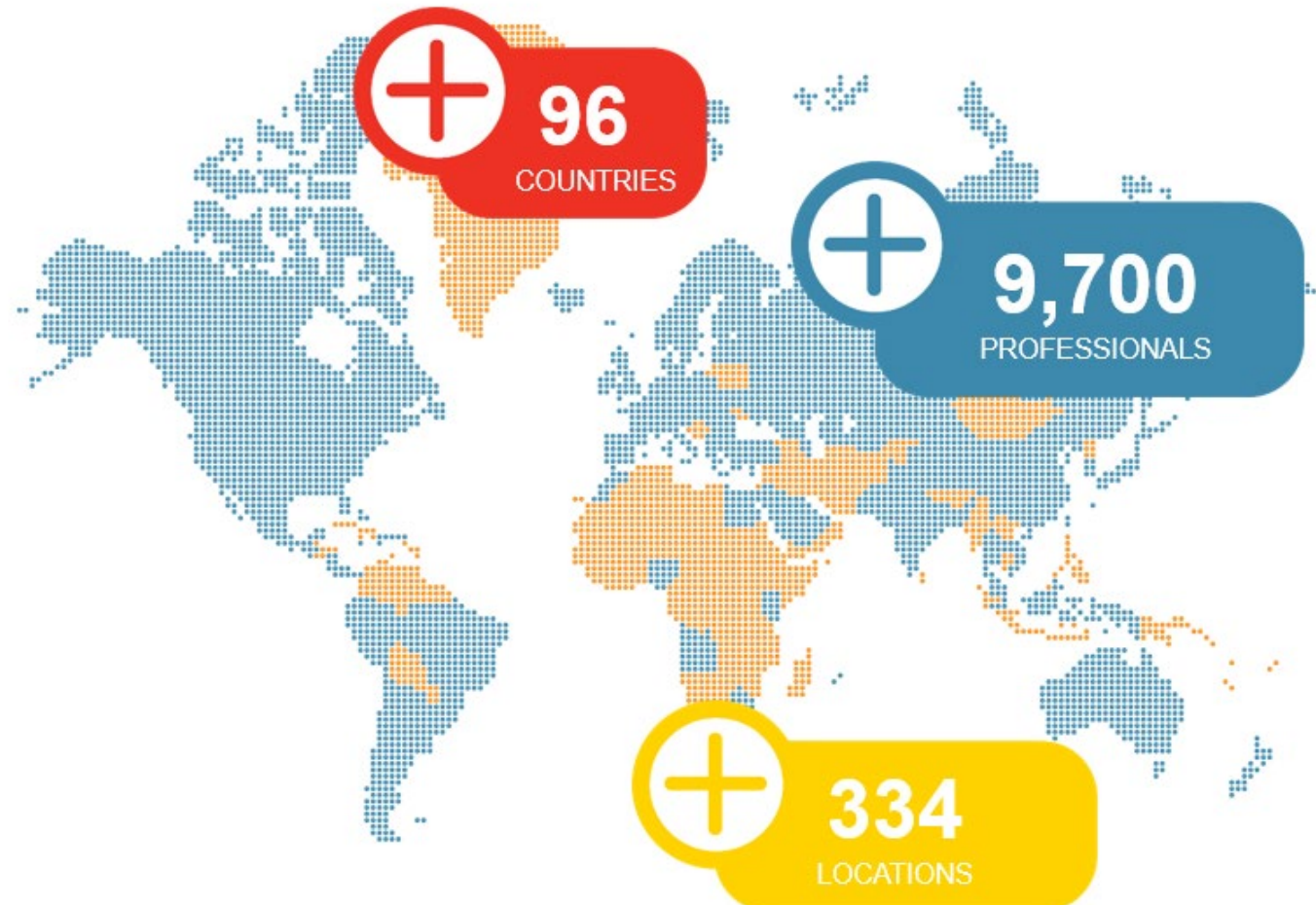
UHY Consulting Capabilities and Solutions

Business & Strategy

Strategic Vision
Strategy Development
Organizational Design
Mergers & Acquisitions
Turnaround & Restructuring

Organization & Operations

Project Management
Change Management
Performance Management
Supply Chain Management
Operational Excellence

Accounting and Finance

Finance Transformation
Shared Services
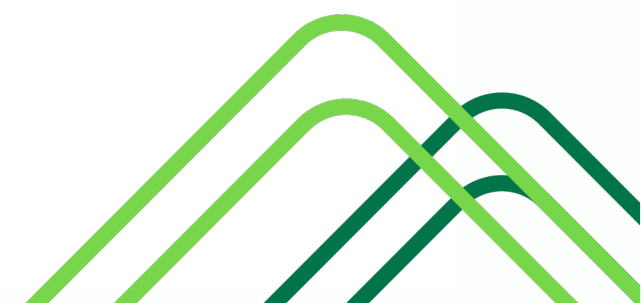Treasury Operations
Finance Automation
BLACKLINE

Technology Innovation

Digital Transformation
Data Governance
Technology Sourcing
Technology Automation
AI & Machine Learning

Resource Solutions

Interim Staff Support
Project Consulting
Direct Hire

Beverly Zoeller
Director – Organizational Change Management
UHY Consulting

Beverly Zoeller is a Principal at UHY leading the Organizational Change Management practice team. With over 15 years of Organizational Change Management experience, Beverly is passionate about embedding change management knowledge within her clients while helping them successfully drive transformation.

Beverly has worked with large global organizations like Coca-Cola, Cox Communications, Inspire Brands, Invesco and Keurig-Dr. Pepper ranging across many types of changes. Beverly's broad range of experience includes assisting organizations in implementing new ERP systems, establishing shared service centers, off-shoring work, and large-scale office moves.

Beverly is a University of Georgia graduate, a former CPA, and a Prosci certified trainer.

"For organizations to thrive, it's important to grow internal change agility within leaders and employees so they quickly adapt to new ways of working, providing a competitive edge."

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Agenda

1   Introductions & UHY Consulting Overview

2   Change Management & Change Fatigue

3   Change Strategies for Success & Our UHY Approach

4   Client Success Story: Global Restaurant Company

5   Discussion, Q&A

Organizations experience change

- Digital Transformation

- New Management

- Outsourcing/Offshoring

People experience change

- New Job

- Moving to a New City

- Getting Married

But, what is Change Management?

Polling Question #1

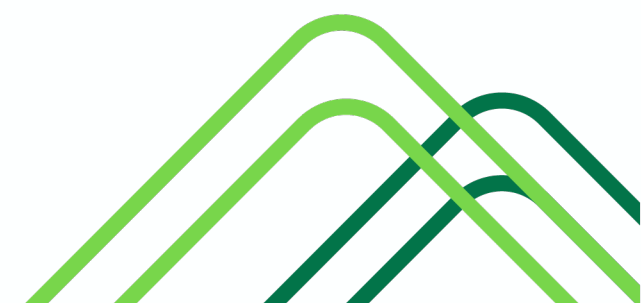Is your organization going through transformation or technology changes?

1. Yes

2. We have some planned in the next 12 months

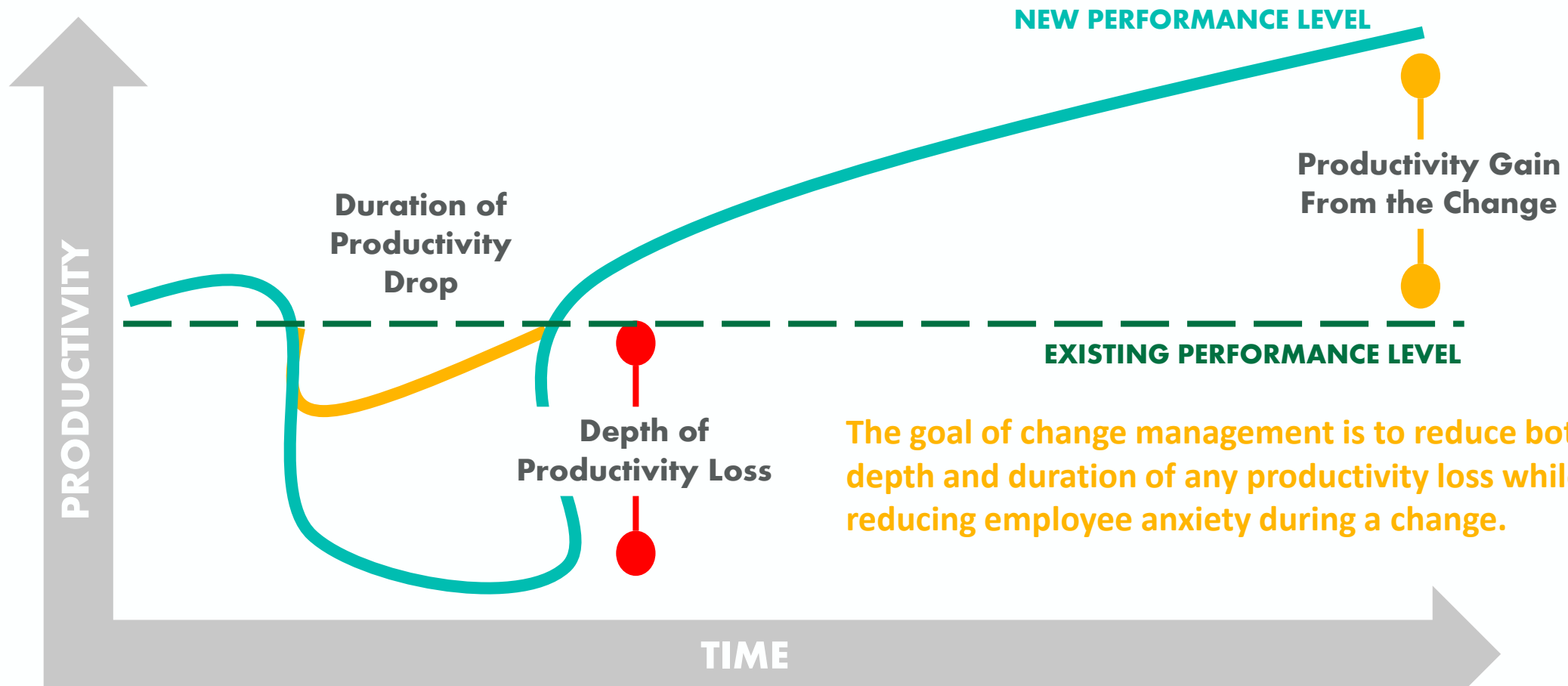3. We have nothing on the horizon

What is Change Management?

Bridging the gap between today and tomorrow

A method for transitioning people to a **"new way of working"** by using a well-planned, structured approach including processes and tools.

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Goal of Change Management

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NEW PERFORMANCE LEVEL

PRODUCTIVITY

Duration of Productivity Drop

Productivity Gain From the Change

EXISTING PERFORMANCE LEVEL

Depth of Productivity Loss

The goal of change management is to reduce both the depth and duration of any productivity loss while reducing employee anxiety during a change.
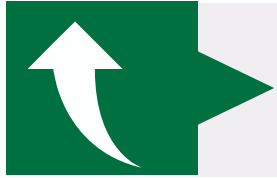
TIME

6X
PROJECT START

3X
NEAR THE BEGINNING

Change management added at the end of a project will NOT deliver the same ROI/benefits as if it were included at the start of the project.

Why Change Management Matters:

Organizational Impacts

Higher frequency of change today: (employees saw 10 "planned changes" in 2022 vs. 2 in 2016).[1]

Low employee support for "planned change" (43% in 2022 vs. 74% in 2016).[1]

80% of change is only top-down (i.e., little meaningful inclusion of rank-and-file)[1]

Change fatigue leads to low morale, attrition, "quiet quitting"[2]

It's an Executive Priority

20%-50% techinvestments show no ROI[3]

25% tech projects fail outright[3]

50% projects need "massive reworking"[3]

Talent shortfall requires a new way of working[4]

Sources:
[1] https://hbr.org/2023/05/employees-are-losing-patience-with-change-initiatives
[2] https://uhy-us.com/insights/2024/april/quit-the-quiet-hire

Sources:
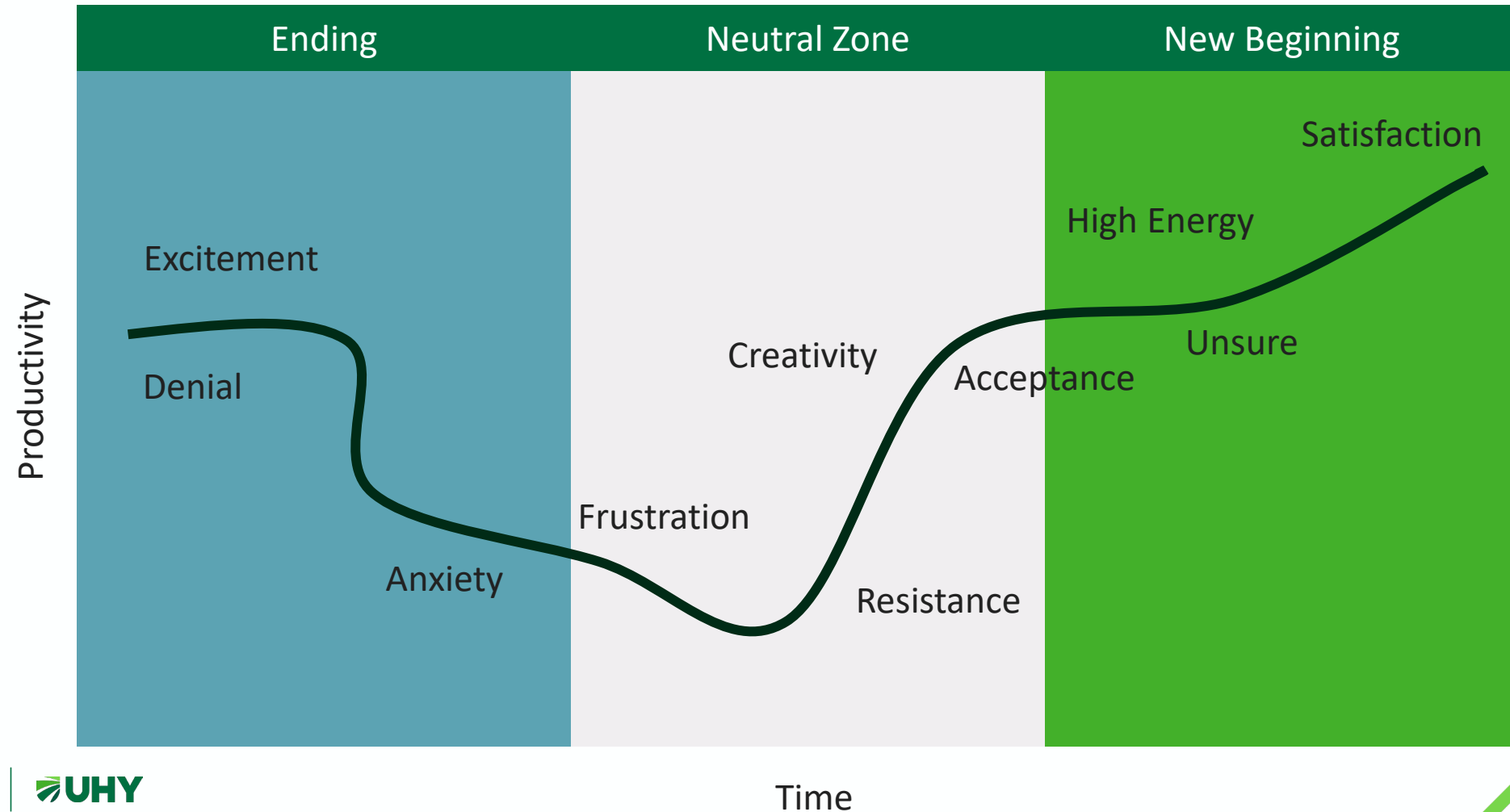[3] https://www.prosci.com/blog/7-real-reasons-why-tech-projects-fail
[4] https://news.bloombergtax.com/financial-accounting/shrinking-cpa-pipeline-fuels-calls-to-relax-education-mandate

On the human side, Change management reduces employee anxiety during times of change.

Ending	Neutral Zone	New Beginning

Productivity

Excitement

Denial

Anxiety

Frustration

Creativity

Resistance

Acceptance

High Energy

Unsure

Satisfaction

Time

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Source: William Bridges Transitions

When should you use
Change management?

Technology

Organizational Structure

Process & Policy

Cultural & Behavorial Shifts

Business Model Changes

Customer & Market Strategy

ESG Initiatives

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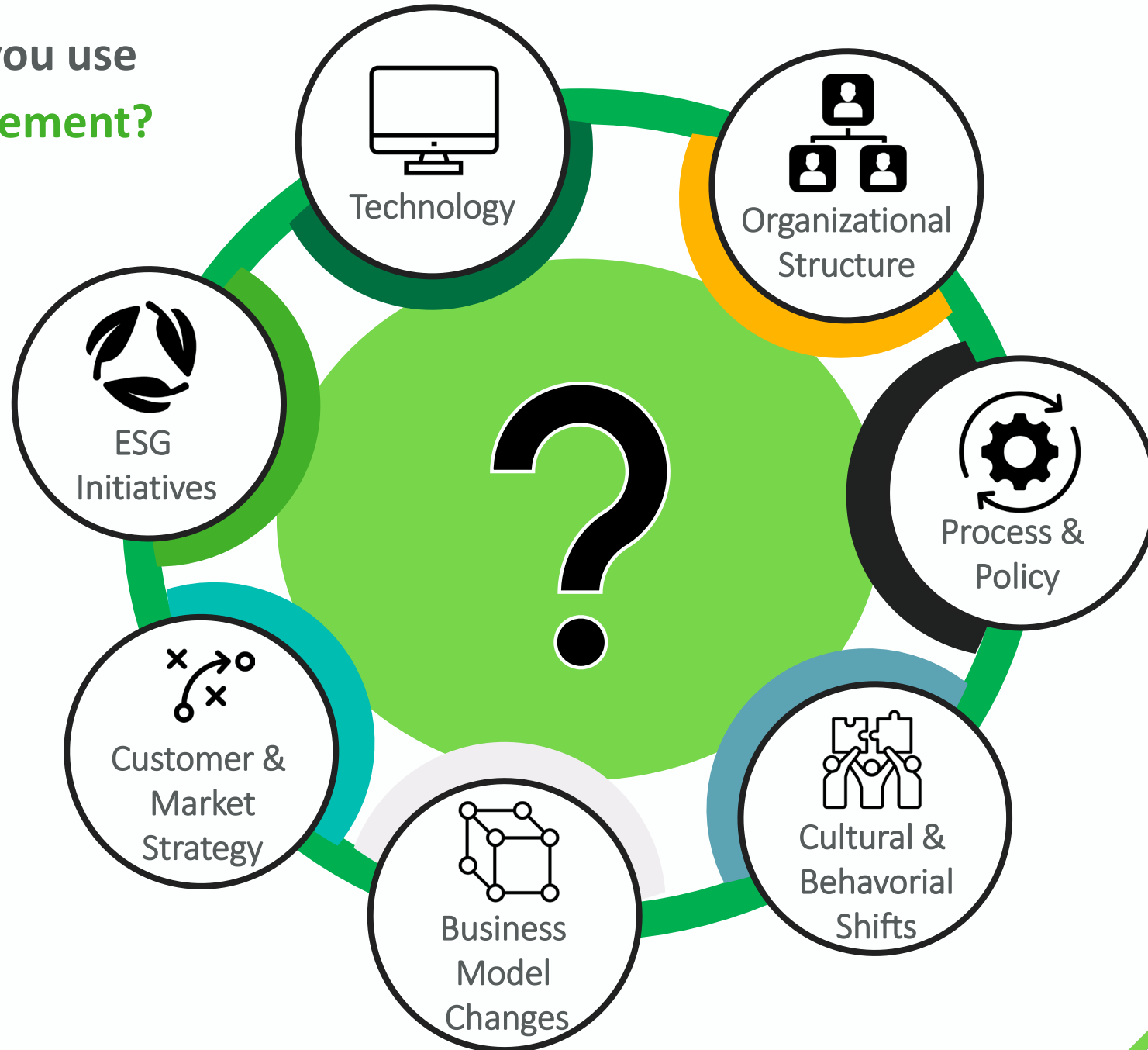
Polling Question #2

Does your organization have an internal change management function?

1. Yes

2. No

3. We are in the planning stages

Understanding Change Fatigue

CHANGE

FATIGUE

Understanding Change Saturation and Fatigue

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Change saturation occurs when an organization attempts more change than employees can absorb.

Change Fatigue is the strain that change saturation imposes on people, resulting in negative effects to their personal, professional, emotional, and physical well-being.

Most common effects of change saturation:

✓ Projects finish on time and on budget but with less ROI than planned

✓ Cost over runs due to delays or project re-work

✓ Lack of adoption

✓ Project failure

✓ Project cancellation

Most common effects of change fatigue*:

I'm considering looking for a new job **54%**

I feel more tired and stressed **48%**

I enjoy my job less **38%**

I trust my employer less **37%**

I'm less productive **32%**

*Capterra's 2022 Change Fatigue survey

Understanding Change Saturation and Fatigue

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✓ Employee skepticsm and negativity

✓ Higher level of complaints

✓ Attrition/increased turnover

✓ Absenteeism

✓ Decline in performance

✓ Higher resistance to change

✓ Lower employee engagement scores

Understanding Change Saturation and Fatigue

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Heat Map

Sample Stakeholders

Sales   (1)(2)(4)(5)(6)(7)

Marketing

Accounting/Finance

Human Resources

Information Technology

Procurement

United States Region

Europe Region

Sample Initiatives

1. New purchase order process/system

2. New prospect to sale system

3. New ERP

4. New budgeting system

5. Benefits changes

6. New expense reporting requirement

7. New return to office policy

🟢 Light Change   🟡 Medium Change   🔴 Significant Change

A Change Heat Map highlights potential collision points for change fatigue by stakeholder group

3 Levers to Reduce Change Saturation

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1 Resource projects appropriately, use **project managers and change managers** to support the project, backfill business resources when project demands take a significant amount of time,

2 **Prioritize, Postpone or Purge** unimportant projects - strongly consider the timing of projects and the true need of less important projects. Be willing to adjust the timing to ease the burden on resources.

3 **Build change agility** in your leaders and team members – undergo change well and follow a model that works for your organization, train leaders in how to lead change and employees in how to manage themselves through change.

Polling Question #3

With your internal projects, how are you going to handle change management in your organization?

1. We are going to wing it.

2. We are engaging some outside help.

3. We are going to do it ourselves.

Key Elements for Success

CHANGE

STRATEGIES

Key Elements of Successful Change Management

Create a vision
Early, align leaders & teams around the vision and continue to share the vision often

Recruit strong sponsors
who will stay involved throughout the entire change period and beyond

Communicate
during all phases, project phases and engage middle management as communicators

Identify quick wins
so that people begin to "feel" the change

Sponsor a change agent network
to engage front line employees and provide peer to peer communications

Get people involved
engaging them as SMEs, change agents, testing participants, and early adopters

The "What" – The Head

Understand the change and what's expected of me

The "Why" – The Heart

- ➤ Believe in the need for change
- ➤ Be part of the change
- ➤ Know that someone cares about my perceptions of the change

The "How" – The Hands

- ➤ Know what I need to do to change
- ➤ Have the ability, skills, knowledge and tools to change
- ➤ Feel involved in making the change a reality
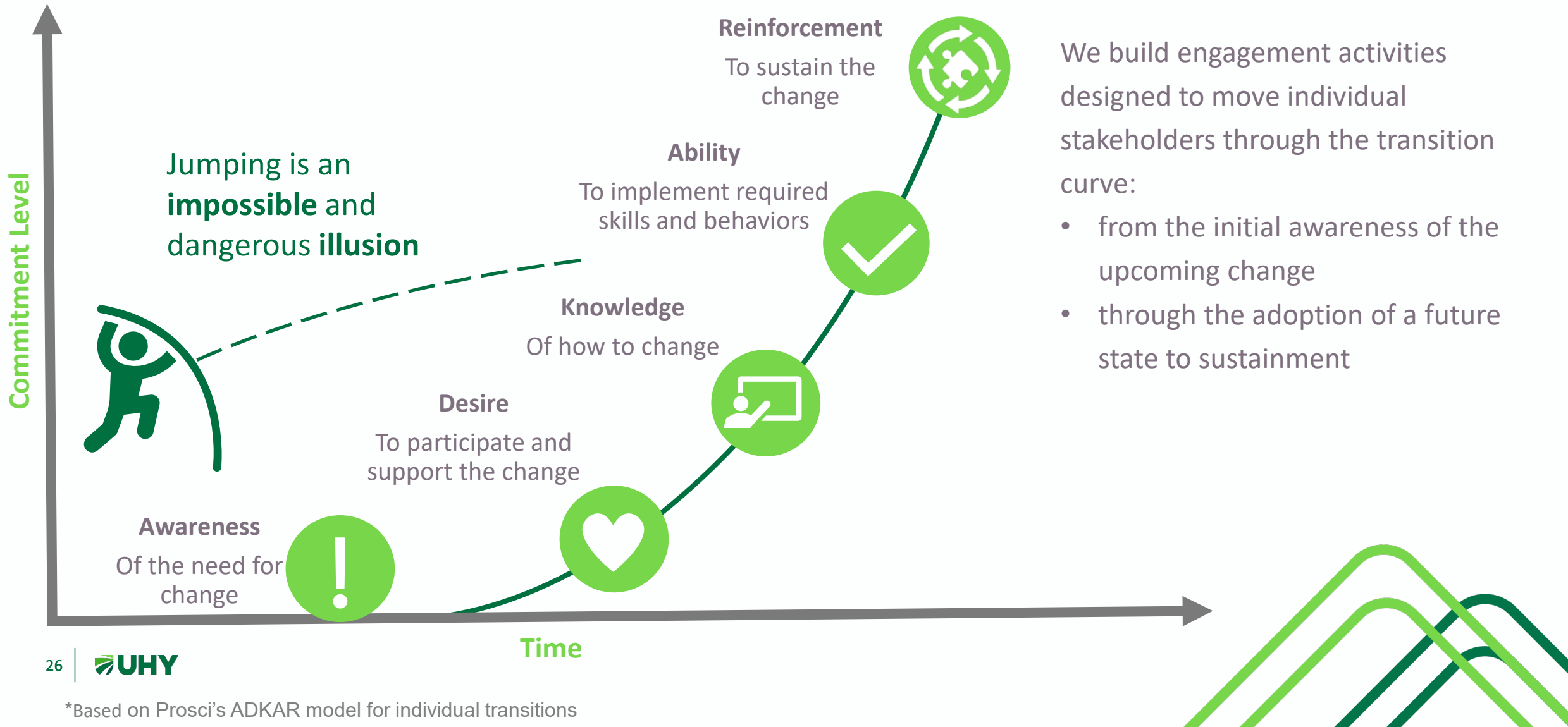
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W — WHAT'S
I — IN
I — IT
F — FOR
M — ME?

Our UHY Change Approach
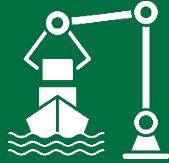
CHANGE
APPROACH

The Individual Stakeholder Transition Curve

Commitment Level →

Jumping is an **impossible** and dangerous **illusion**

Awareness
Of the need for change

Desire
To participate and support the change

Knowledge
Of how to change

Ability
To implement required skills and behaviors

Reinforcement
To sustain the change

Time →

We build engagement activities designed to move individual stakeholders through the transition curve:

- from the initial awareness of the upcoming change
- through the adoption of a future state to sustainment

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*Based on Prosci's ADKAR model for individual transitions

Our Four Phase Approach

Chart the Course

- Build and share the change story.
- Launch initial communication campaign, to further awareness and buy-in of the future state vision.
- Initiate alignment for unified leadership.
- Develop a customized change strategy.

Prepare the Ship

- Consult essential stakeholders to evaluate change-related risk, understand effects of upcoming changes, and gauge attitudes towards the transformation.
- Create a custom change plan tailored to our client's needs and program goals.

Sail the Sea

- Execute the change plan to move employees through the transition curve from awareness through adoption.
- Prepare leaders and teams for the change
- Implement stakeholder engagement activities, communications, and training.

Land the Crew

- Celebrate employee successes and recognize team member achievements.
- Measure success and adoption criteria.
- Operationalize the new way of working.

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Sample Stakeholder Engagement Plan Timeline

Vision & Strategy

Stakeholder Analysis & Engagement

Communications & Engagement

Readiness Assessments

Sustainable State

Leadership Alignment

Change Agent Network

Training & Stakeholder Readiness

Go Live

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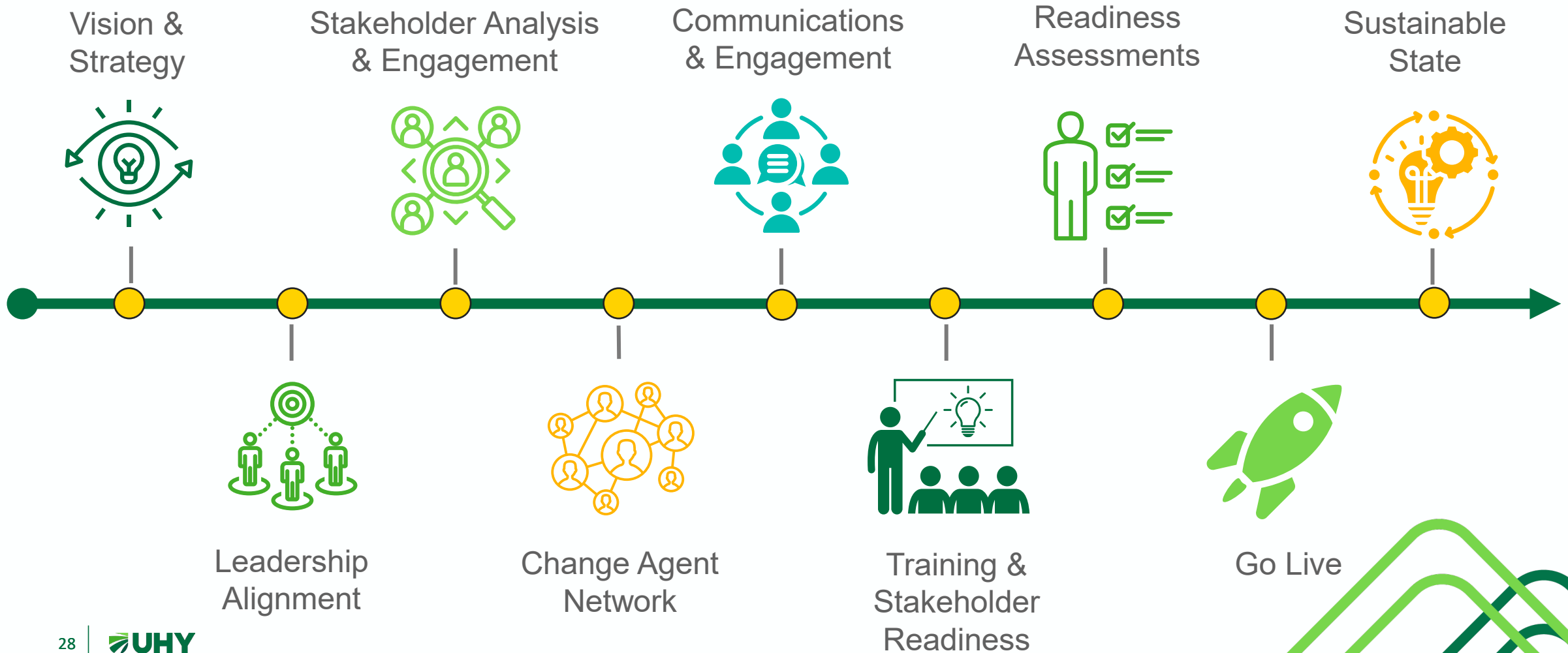
A Powerful Client Success Story

Global Restaurant Company

Overview

- Rapid growth through strategic acquisition of prominent brands over a 4-year period

- Revenue surge ($7.6B to $32.5B in global system sales)

- 32,600 establishments

- 57 global markets

- Large restaurant company in the U.S.

- 2,900+ franchisees, 675,000 company and franchise team members

Challenges

Existing state:

- Disparate systems and processes demanded brand focused teams limiting collaboration across brands and career development

- Many manual queries and processes

- Time consuming and manual process to provide timely, reliable, decision-ready reports for leadership

CFO demanded **"One Brand, One System, One Common Business Language"** launching a multi-year collaboration between Accounting and IT across the Record to Report, Procure to Pay, Order to Cash, Acquire to Retire and Plan to Analyze workstreams.

2,500
EMPLOYEES TRAINED

120
TRAINING SESSIONS

150
TRAINING ARTIFACTS

300
COMMUNICATIONS

2900
FRANCHISEES TRAINED
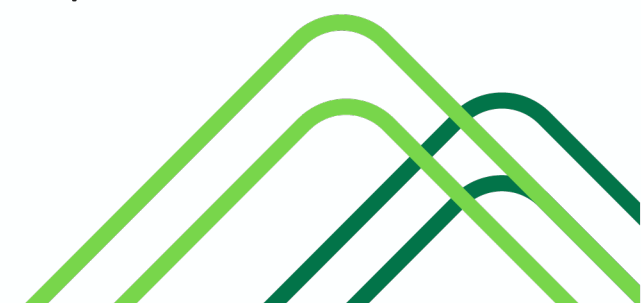
UHY Change Management Support

Phase 1 – Consolidated all brands onto one Chart of Accounts

- Reviewed ~ 100 integrated systems for potential impacts
- Developed a mapping tool to support stakeholders during transition
- Educated stakeholders on new chart of accounts
- Educated business program team members in Agile delivery model to prepare them for collaboration with development teams

Phase 2 – Implemented a new ERP system and relevant sub-systems

- Implemented a new purchase order and invoicing system, communicated new invoice processes to thousands of suppliers
- Stood up a Accounts Receivable system for franchisee invoices
- Integrated accounting teams across brands
- Educated all stakeholders with live/virtual training, reference guides, and e-learning materials

Final Phase – Launched additional systems for employees and franchises

- Sales reporting system for franchisees providing self-service reporting and transparency into invoices
- New document management system
- New travel and expense system

All while fostering collaborative work among leadership in a politically charged environment, removing roadblocks, highlighting risks and issues, and maintaining transparent communication.

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Client Success Story: Impact

✓ Within one month, launched the "One Brand, One System, One Common Business Language" "campaign

✓ Phase 1: Ensured a smooth transition of sub-ledgers (e.g., A/P, A/R), integrated systems and the general ledger to the new chart; employees supported through training and a conversion mapping tool to quickly and efficiently update coding

✓ Phase 2: Integrated teams working collaboratively across brands in a new ERP and sub-systems reducing manual processes

✓ Final Phase: Provide greater insights for franchisees and bring additional systems into "One System"

✓ Celebration with appreciation for the team's patience, dedication, and hard-won success

✓ Client can now view entire business from varied operational viewpoints, with sharp analytics for decision-making and accurate comparability across brands

Polling Question #4

How knowledgeable are your leaders about change?

1. Our leaders are very knowledgeable and drive change well.

2. Our leaders understand change but are too busy to focus on doing it well.

3. We could learn more and do a better job

4. We have a history of not leading change well.

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Thank You!

Questions?

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