

ORGANIZATION CHANGES AND CHANGE MANAGEMENT

Business 2710 – Class 5

Learning Objectives

- Understand the Process and Enterprise Maturity Model (PEMM)
- Be able to assess organizations on the PEMM
- Be able to make recommendations for organizational change based on a PEMM assessment



Hammer, M. (2007) The process audit. *Harvard Business Review*, Apr 2007

PEMM Characteristics

- Helps to identify strength and weaknesses for process orientation
- Helps to identify needs for change to enable process performance
- Framework based on study of hundreds of companies and verified by consortium of large companies
- Independent of industries and processes and organization size

PEMM Characteristics

- Identifies both necessary process enablers and enterprise wide capabilities
- Allows measurement and management of change transformation results
 - Objective and specific propositions
- Recognizes that enterprise capabilities and process enablers are interdependent (within and between) and must be aligned.

Process Enablers



- Design
- Performers
- Owner
- Infrastructure
- Metrics

- Levels P-0 to P-4

Process Maturity

P-0	Process works erratically
P-1	Process is reliable and predictable, stable
P-2	Process delivers superior performance, end-to-end design and implementation
P-3	Process delivers optimal performance, integration with other processes
P-4	Process is best in class, integration with supplier and customer processes

Enterprise Capabilities



- Leadership
 - Culture
 - Expertise
 - Governance
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- Levels E-1 to E-4

Summary



- PEMM is a framework for organization change management
- PEMM is industry and process independent
- Based on long-time research and practical validation