



## Are you ready for change?

- **Change is a common occurrence in the workplace.**
- **Change management controls reduce the risk of unexpected consequences.**
- **Consider four types of change management controls when implementing changes.**

Has this happened to you? Just when you have your work organized and truly feel confident in your job, a change is announced. Your whole schedule is disrupted, and you have to go about organizing your work all over again.

In today's workplace, change is a common occurrence, coming in many forms, such as:

- Restructuring processes and job responsibilities as part of a LEAN initiative or internal control risk assessment project
- Creating new processes or integrating a new program into existing processes
- Applying the requirements of a new federal/state regulation, statewide/agency policy or accounting pronouncement

Implementing change creates many opportunities (e.g., improving processing times or reducing error rates), but can also cause problems if not closely monitored. To ensure changes achieve the expected results, certain control activities should occur throughout the change process. These activities are commonly referred to as "change management" controls. Without these controls, unexpected consequences could occur, including work stoppages, slow response times, undetected errors or even fraud. Change management is a concept common in information technology (IT) environments, but is also applicable to non-IT environments.

When implementing change, consider the following types of change management controls:

**1. Planning** A good change management plan includes an inventory of affected activities and/or procedures, descriptions of what needs to change, who needs to make the changes and the related deadlines. Planning participants should not only include technical staff and managers responsible for the change, but also employees impacted by the change. These employees possess hands-on knowledge of current activities and can provide valuable insight on how to make changes, as well as identify and resolve any potential obstacles.

**2. Reviewing** Change plans should be reviewed. A manager or supervisor should approve the plan only after determining whether the planned changes will achieve expected outcomes (e.g., compliance with a regulation). Reviews and approvals can be formal or informal depending on the magnitude of the change.

### 3. Training and communication

Communicating reasons for change promotes employee acceptance. Training ensures employees are confident and comfortable with their new activities. Also, encouraging employees to ask questions and communicate concerns during and after the change alleviates employee unease and may even alert management to unforeseen problems.

**4. Monitoring and testing** Following implementation, changes should be scrutinized to ensure expected results have been attained. Examples of monitoring or testing include:

- Tracking a sample of vendor payments through the process to ensure payments were appropriately approved and accurately recorded
- Reviewing reconciliations for new items caused by the changes
- Comparing completed work to new/revised procedures to ensure procedures are followed and are understood

*Suggested Action Steps:* Think about upcoming changes to your organization. Are all four change management controls part of your change process?

If you have questions, please contact Jo Kane, Internal Control Specialist at (651) 201-8158 or [Jo.Kane@state.mn.us](mailto:Jo.Kane@state.mn.us).