

# Organizational Impact Analysis

## Introduction

After you uncover the root cause of the problem and propose a solution you must then conduct an Organizational Impact Analysis to quickly discern if your proposed solution is feasible in regards to the firm's strategy, management, and operations. By understanding this context, that is, the interrelated conditions in which something exists or occurs, you add value by calling attention to the broader implications of the proposed solution. This includes but is not limited to scope, schedule, resources and ROI.

## Description

Once the symptoms of the problem are exposed, a root-cause is identified, and a solution is proposed an organizational impact analysis begins by asking 3 questions.

- Strategically: How will the proposed system or system enhancement help the firm improve their competitive advantage?
- Management wise: How will the proposed system or system enhancement help managers make better decisions?
- Operationally: How will the proposed system or system enhancement improve process operations?

By answering these questions the strategic, management and operational context is revealed. This leads to either an acceptance of the proposed solution or a resetting of priorities because the project scope, schedule, resources or ROI are not aligning with the strategy, management or operations of the firm.

## Purpose

Conducting an organizational impact analysis produces additional value by pointing out the interrelated conditions that may make the proposed project actually unfeasible. Knowing these conditions enables you to reset priorities thereby changing the scope and impacting the schedule and resources in a positive way.

## Creating an Organizational Impact Analysis

To conduct an organizational impact analysis start with the Organizational Impact template found on the class [Resources page](#). For an example, see the Organizational Analysis in Figure 1 for Austin Waldorf School (AWS). Answer the leading question for each section by filling in the requirements that will answer the question. Replace each question with the context for strategy, management and operations specific to the project. Then fill in the corresponding priority levels. Add more rows for additional requirements as necessary.

If the scope, schedule and resources align with the firm's strategy, management, and operations you are set to begin the systems development process. If they don't align, return to each requirement and the priority table to find the misalignment. Then, working with the client, reset the priority level accordingly to change the scope and positively impact the schedule and resources.

## Benefits

The root cause analysis is necessary for identifying the real root cause. But, if you just concentrate on the narrow root cause, you might miss what's more important, such as what might increase the ROI. Often clients will focus on a narrow problem, like an operational hassle such as a time consuming process to create reports. You add value by calling attention to the broader possibilities of the proposed solution and noting what will add value for managers or a competitive advantage that might not have occurred to your client.

Reviewing the requirements to meet project goals at all three organizational levels will help you improve your Functional and Non-Functional Requirements Summaries. (Similarly working on those will trigger ideas for improving your Organizational Impact Analysis. Remember, this is an iterative process.) Your goal is to think broadly to maximize the value of your delivery for your clients.



Figure 1. Organizational Impact Analysis for Austin Waldorf School

## Organizational Impact Analysis for the Austin Waldorf School (AWS): Strategic, Management, Operations

1. **Strategic** – Enrollment is crucial for AWS, so having a relevant and appealing website is a must. By utilizing a new website that better reflects AWS and provides more up-to-date content, AWS will be able to attract new students and set itself apart from other private schools in the area. Also, a simpler donation system will allow for more donations, which in turn will greatly benefit AWS overall.

Requirement	Priority
Build website that is easy to navigate for all levels of users	High
Customize website to cater directly to current and potential users	High
Use easily-maintainable payment systems that cater to non-technical users	High

2. **Management** – By using a new CMS (Content Management System), the AWS staff will be able to more easily track site traffic through its analytics application to better understand how to cater to its users. Also, simpler reporting functions will provide more accurate information about students and potential students to allow AWS to make more detailed and accurate decisions.

Requirement	Priority
Customize CMS to maintain particular data to be pulled for periodic reports	High
Customize analytics application to display more relevant data for AWS	High

3. **Operations** – Currently the AWS website has little relevant functionality, so users have to contact the school directly for most transactions. With a new website and CMS, all types of users will be able to refer to the website more often, thus cutting down on the time the AWS staff has to assist them. Also, the internal database will be easier to maintain, so it will reduce staff time for creating reports.

Requirement	Priority
Develop web-interface that lets students, parents, and alumni create their own user names and passwords for their respective portals	High
Develop contact widgets that allow users to directly email AWS from website	Medium
Fully automate donation system to eliminate manual data entry by AWS staff	Medium

### Tips for Completeness

- Think creatively about what may add value for all three organization levels. Interviewing external users, as well as internal users in different areas of the organization will help you and broaden the views of your main client-contact. Use your Stakeholders Table as a checklist regarding interviewees and assign team members to conduct the interviews and report back for a brain-storming session to complete your Organizational Impact Analysis.
- Review your data flow diagrams to see what additional processes can be improved, as well as those that obviously need to be improved or added.

### FAQs

**Q1.** Do we have to include requirements at all levels? Our client is a non-profit, so there aren't any competitive requirements. **Answer:** Yes, you have to include requirements for every level. "Non-profits" are not "non-revenue." Competition for donations is huge in the non-



profit world; a strategic level view is often critical to survival.

**Q2.** Our client didn't tell us they wanted any management reports. Do we have to make them up? **Answer:** Yes. With web-based systems there are some easy traffic reports that might help your client tremendously, but they didn't realize this was a free service. Any operational functionality, such as, customer registrations that save staff time are also the basis for an easy added value of a report on total customers, total sales, total new registrations per month, etc. Use your creativity and business education to help your client make the most of the technology your team delivers.

## High Quality Delivery Tips

- Be sure you have clearly outlined Strategic, Management, and Operations goals.
- Be sure that the context issues for each of the three sections are consistent with the information in the case or appropriate for your client.
- Include at least 7 requirements among the three areas mentioned above.
- Make sure that this document is consistent with your strategy discussion and other planning documents.

## Template and Examples on [Resources Page](#)

- Organizational Impact Analysis Template
- Organizational Impact Analysis - Hillel
- Organizational Impact Analysis - Waldorf