

# Managing Change with PM<sup>2</sup>

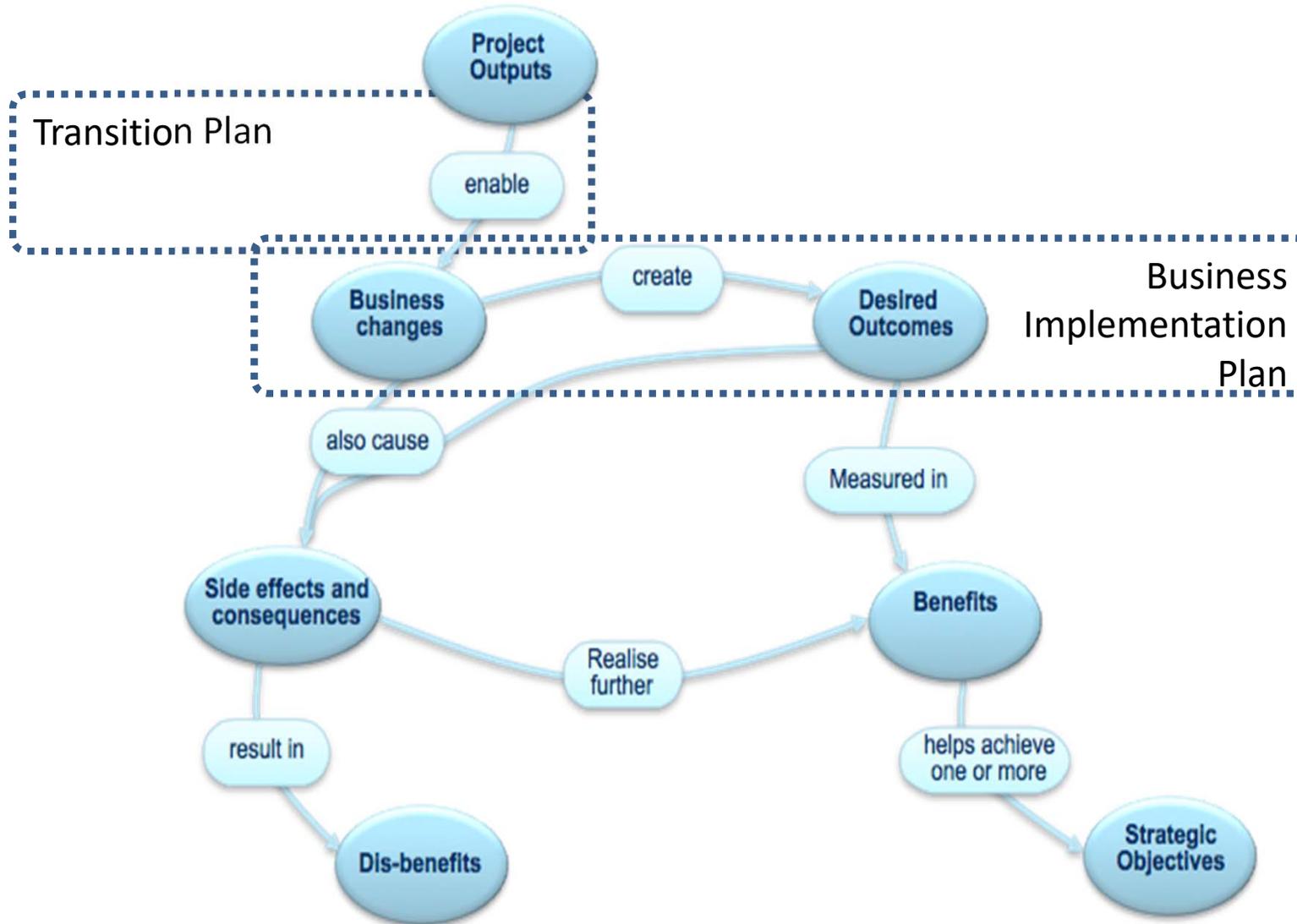
Crista Filip  
12 April 2018



- Take 3 minutes to think how you would introduce yourself to the group by telling us something about a significant change you were part of (in your work).



# From Output to Benefits



# Output, Outcome & Benefit



Term	Definition	Example – Introduction PM²
Output	The deliverable, or output developed by a project from a planned activity.	Guides, Training course, website
Business Change (capability)	The completed set of project outputs required to deliver an outcome; exists prior to transitions.	Trained staff, available manuals
Outcome	A new operational state achieved after transition of the capability into live operations.	Increased project quality, improved control,...
Benefit	The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, which contributes towards one or more organizational objective(s).	Decreased project cost overrun by 30%, increased productivity of project staff of 30%

# Individual Response to Change



# Learning Styles

The **Pragmatist** will like:

- Practical workshops
- Well-simulated work environments
- On-job learning by trial and error
- Applying tools and models to practise situations

Concrete Experience

- Something happens

The **Activist** will like:

- On-job learning by trial and error
  - Coaching from a respected practitioner
- Activity-based learning in groups
- Well-simulated work environments

Practical Experimentation

- You test your theory

Reflective Observation

- You think about it

The **Theorist** will like:

- Courses and seminars
- Lectures and presentations
- Reading and personal research
- Well-simulated work environments

Abstract conceptualization

- You identify a problem

The **Reflector** will like:

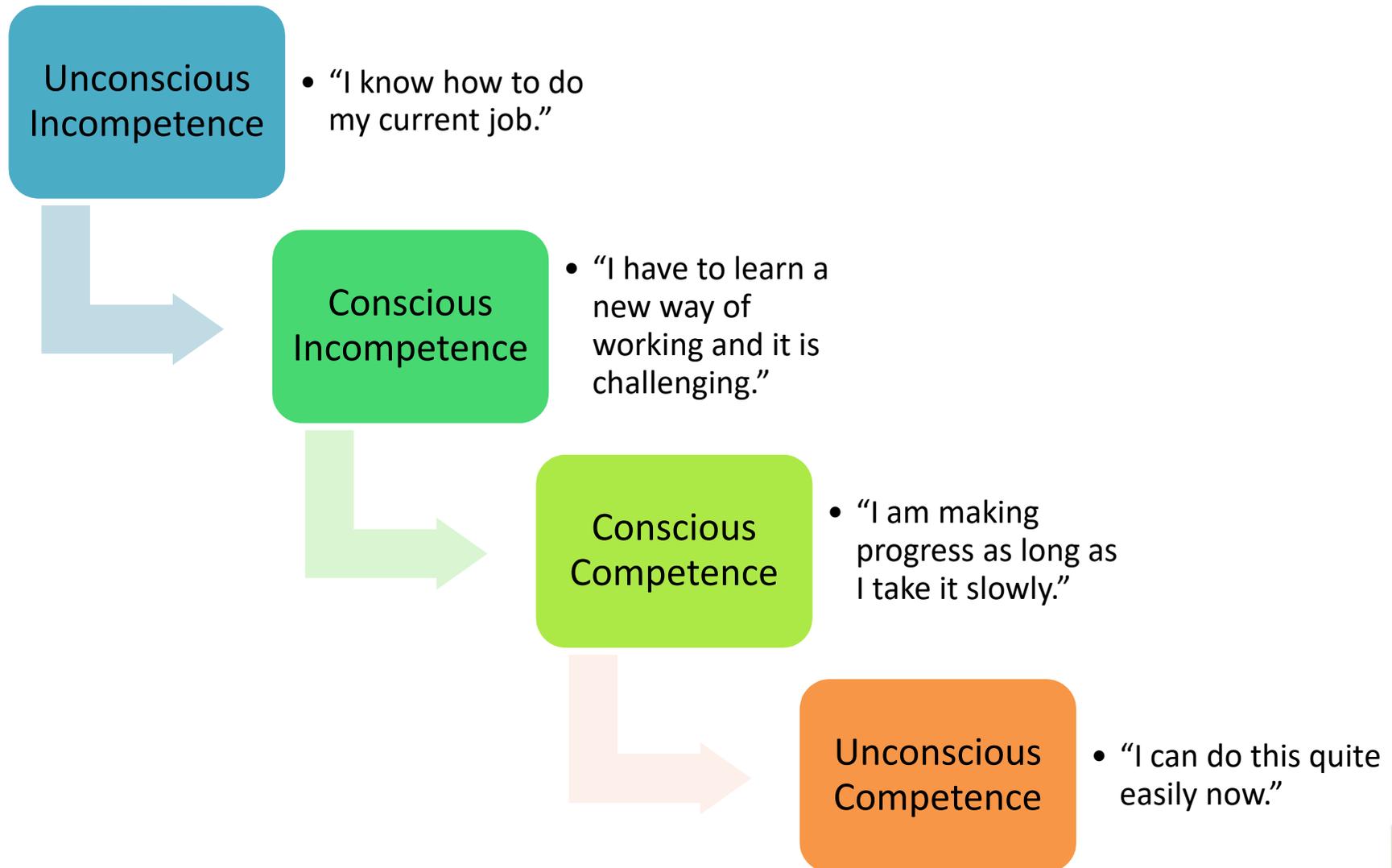
- Observing others 'live' or on video
- Well-simulated work environments
  - Action learning sets

• Making notes and keeping learning diary

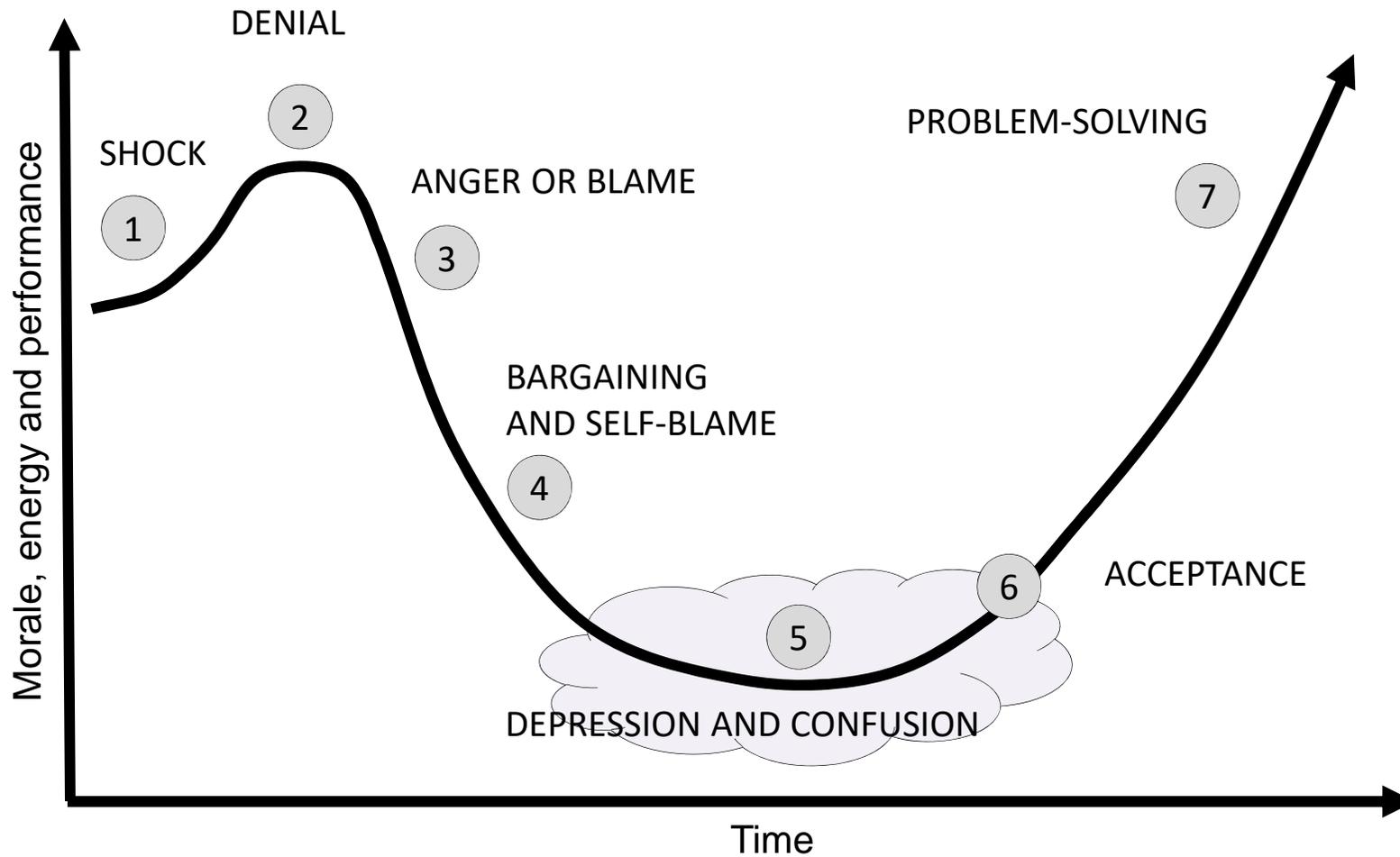
The Learning Cycle (after David Kolb , 1984)

Learning Styles (after Honey and Mumford, 1992)

# Conscious Competence Learning



# The Change Curve



# Three Key Motivators

**MASTERY**  
THE URGE TO GET  
BETTER AT STUFF



People like to do things well, and to get better at doing things they value, so opportunities to grow, develop and excel at their work are intrinsically motivating.

**AUTONOMY**  
THE DESIRE TO BE  
SELF DIRECTED



People like to be self-directed, with a high degree of freedom to decide the direction, methods and circumstances of our work



People like to feel that their work has meaning and value, and will choose to invest themselves in activities they consider worthwhile

# Common causes of resistance



Reason for resistance	How to deal with it
Loss of control over territory	Leave room for those affected by change to make choices, get involved with planning and take ownership.
Excessive uncertainty during the change	Create a sense of safety with certainty of process, clear simple steps and timetables.
Change is sprung on people as a surprise	Don't plan changes in secret – keep people informed of what is happening.
Too many differences at once	Minimise the number of unrelated differences. Where possible keep things familiar. Avoid change for change's sake.
Loss of face from those associated with current state	Celebrate the elements of the past that are worth honouring.

Cont/...

Kanter (2012)

# Common causes of resistance

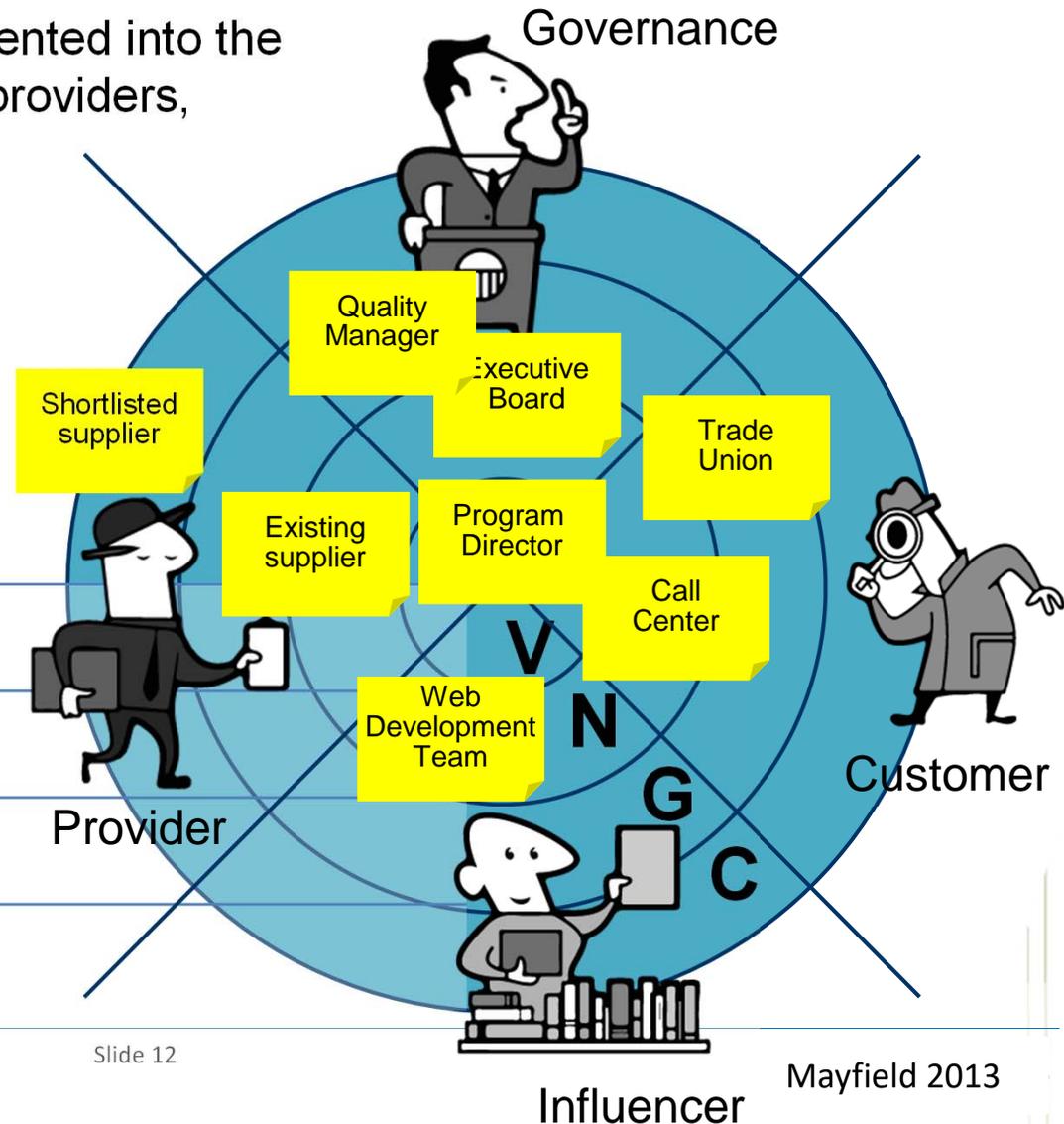


Reason for resistance	How to deal with it
Concerns about competence	Provide abundant information, education, mentors and support systems. Run systems in parallel during transition if possible.
Change is more work	Allow some people to focus exclusively on the change. Reward and recognise participants.
Ripple effects – change interferes with the activities of other areas	Enlarge circle of stakeholders. Consider all affected parties and work with them to minimise disruption.
Past resentments surface due to the interruption of a steady state	Consider gestures to heal the past before focussing on the future.
Sometimes the threat is real – change is resisted because it can hurt	Be honest, transparent, fast and fair. For example one big layoff with lots of support is better than a series of smaller cuts.

Kanter (2012 )

# Stakeholder Radar

- The segmented stakeholders can be mapped onto a stakeholder radar
- The radar can then be segmented into the four domains of customers, providers, influencers and governance.
- Stakeholders are plotted on the radar, and the primary question becomes:
- How close are they to the centre (and therefore 'vital' to engage in the change)?



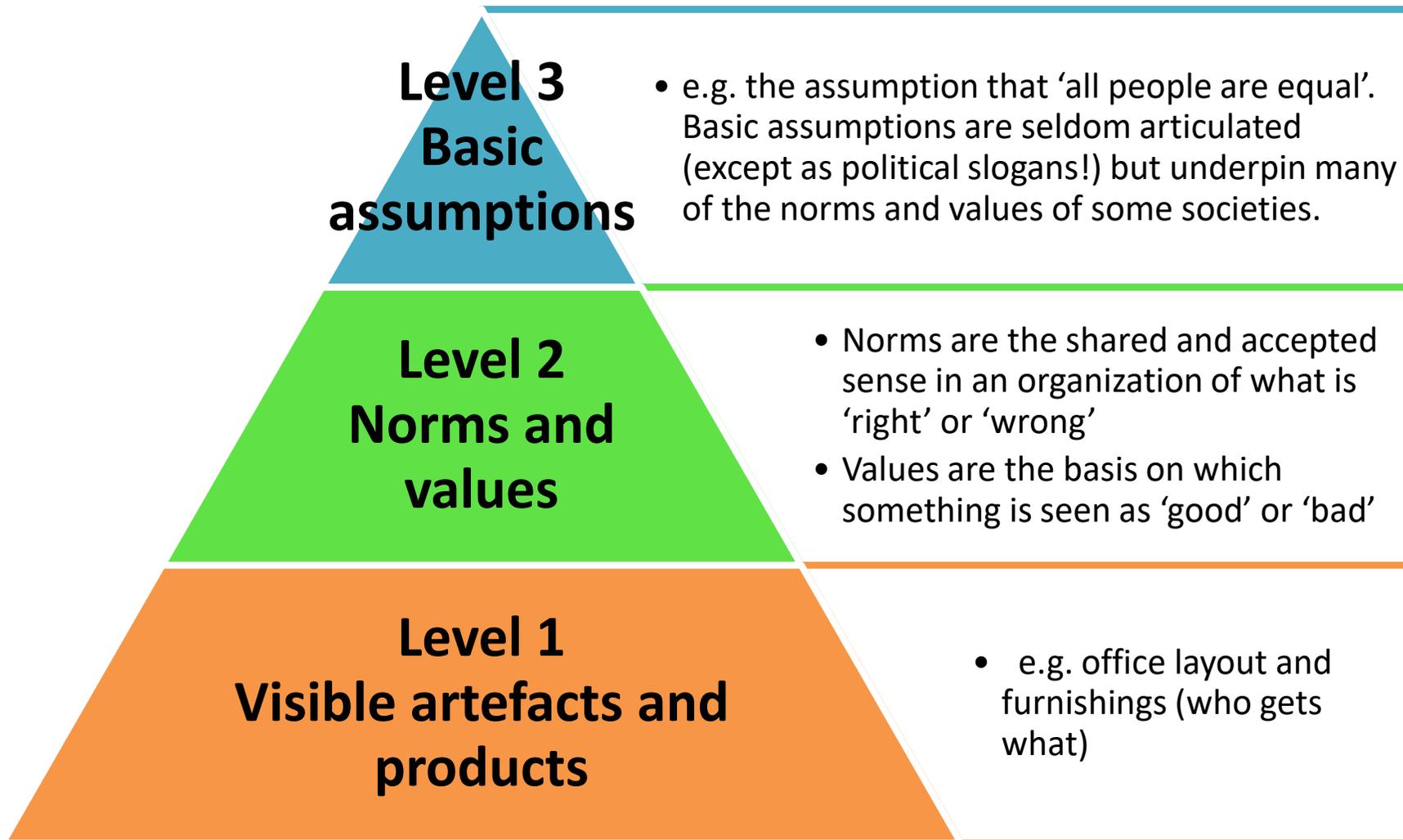
V for vital to engage

N for necessary to engage

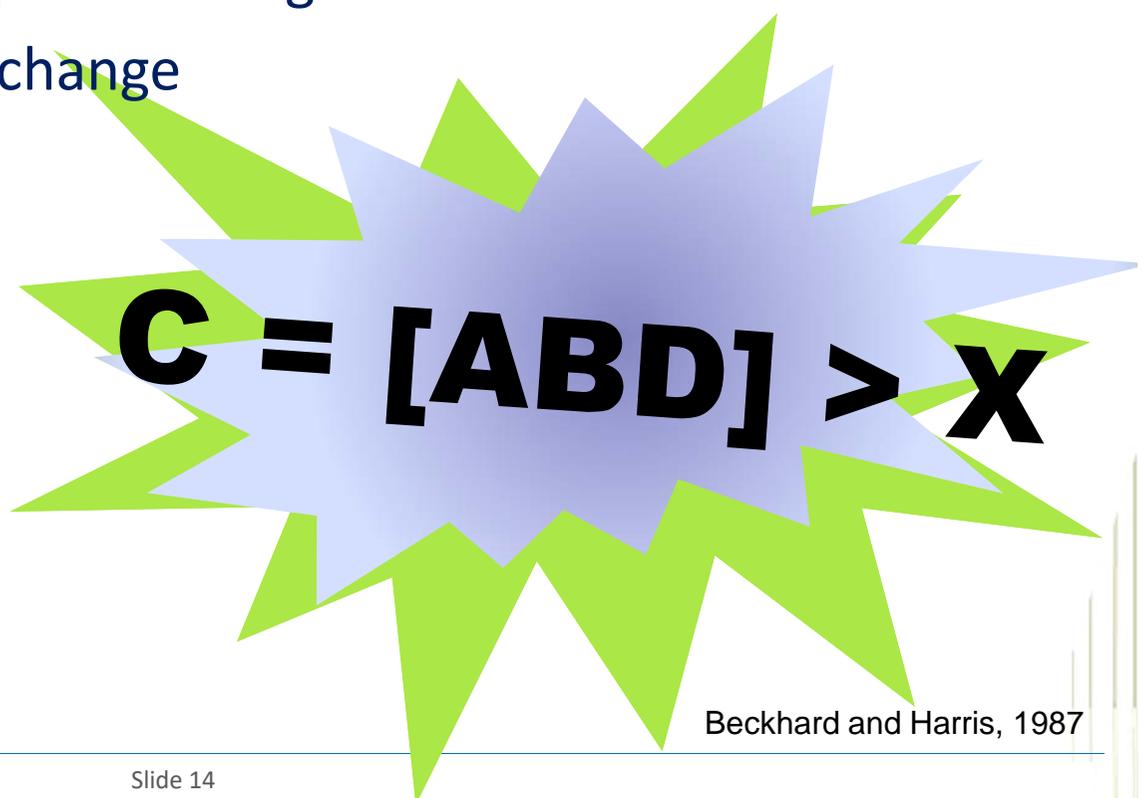
G for good to have engaged

C for courtesy to inform

# Levels of organizational culture

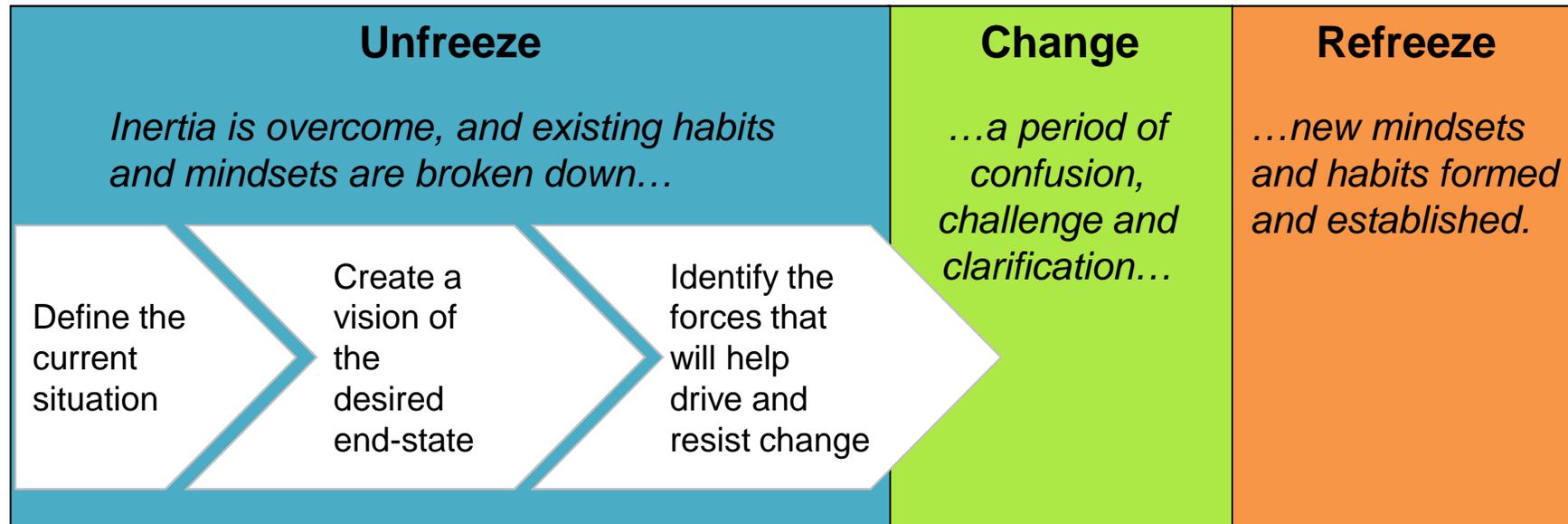


- C = Change
- A = Level of dissatisfaction with status quo
- B = Desirability of proposed change or end state
- D = Practicality of the change
- X = 'Cost' of changing

A large, stylized graphic of a starburst or explosion shape. The center is a light blue circle, and the points are green. The equation  $C = [ABD] > X$  is written in bold black text across the center of the starburst.
$$C = [ABD] > X$$

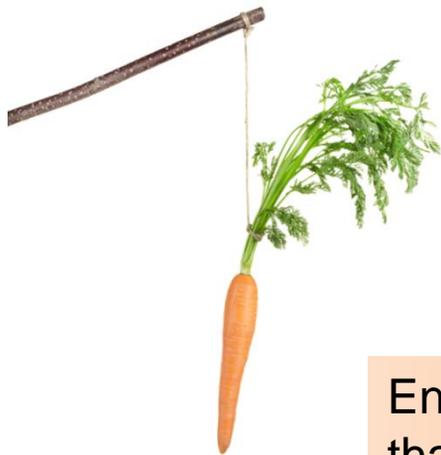
Beckhard and Harris, 1987

# Lewin's Three Step Model



# Types of levers

Types	Emotional	exert an internal pressure to change such as guilt, pride or a feeling of involvement
	Procedural	imposed by the process a person needs to follow
	Structural	implicit in the way the organization is controlled
Strategies	Carrot	<i>financial/non-financial rewards for 'doing the right thing'</i>
	Stick	<i>penalties when the success of the change is undermined</i>
	Burning Bridges	<i>when it is impossible to maintain the status quo</i>



Encourage the right behaviour and deal decisively with behaviour that could undermine the success of the change.

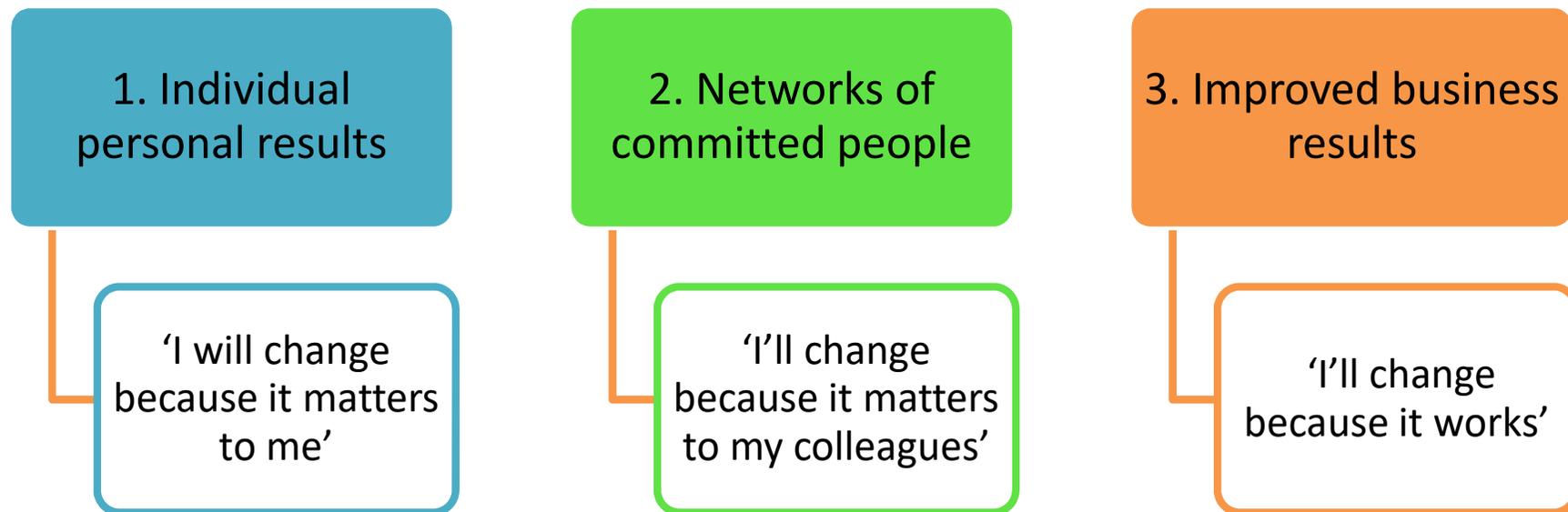
# Kelman's three levels of adoption



Level	Need	Length of Commitment	Level of Initiative Required	Reinforced by	Level of Commitment Required
1. Compliance	'I need to be able to tell them what to do and they'll do it'	Short-term	Low	Rewards and penalties	Accept
2. Identification	'I need them to understand why they need to do this and the consequences of not changing'	Medium-term	Medium	A sense of meaning	Willing
3. Internalization	'I need them to be able to make decisions about what, why, when and how things are done'	Long-term	High	Alignment to values	Committed

Kelman (1958)

# Senge and Goodman 3 reinforcing systems



- Target all three reinforcing systems simultaneously
- Consider which types of reinforcing strategies will work best for a particular change and stakeholder.

PM <sup>2</sup> Phases		Description
1	<b>Initiating</b>	Get the project off to a good start.
2	<b>Planning</b>	Define products, verify the Business Case, plan work...
3	<b>Executing</b>	Create the project's products.
4	<b>Closing</b>	User acceptance, handover to maintenance...
<b>Monitor &amp; Control:</b> The Project Manager (PM) monitors & controls the work, risks, issues, quality, throughout the whole project lifecycle.		



## Transition

- These activities ensure that the project outputs are 100% usable (and, if applicable, that they effectively replace whatever was there before) with minimum disruption to the business and maximum effectiveness.

## Business Implementation

- These activities ensure that the project outputs are used as intended, effectively integrated into everyday work, and that the project outcomes and desired benefits are achieved. Transition activities and Business Implementation activities are very much related.

- The Business Implementation Plan outlines the impact of the project on the organisation along with the change management activities that need to take place.
- The organisation must assure that the project outputs are effectively integrated into the organization. A change management plan is devised to increase the chances of achieving the desired project outcomes and benefits.
- The Business Implementation Plan outlines these activities as a response to the analysis of the impact of the project to the organizational processes, the culture and the people.
- The business implementation activities become part of the Project Work Plan and are scheduled and controlled as part of the overall project.

- Business implementation activities will almost always be required long after the project has concluded, so it's a good practice to also define some post-project change activities.
- In this case, the implementation of these activities falls outside the domain of responsibilities of the project, and become the responsibility of the permanent organization were they can be implemented as part of on-going operations or future projects.
- For smaller projects, Transition and Business Implementation plans (and activities) can be combined.

Understand the current state and the desired future state.

Analyse the impact of the project implementation to the on-going operations and existing business processes, the **people** and the **culture** of the **organisation**.

Redesign or update any affected business processes.

Devise a communications strategy and define activities for change management.

Identifying sources of resistance to the desired change(s), analyse the attitude of key stakeholders, and plan their involvement in change management activities.

Determine the training needs of the people in the organisation.

Devise business continuity plans for business critical systems.

Identify those change implementation and change sustaining activities to be implemented at a post-project stage by the permanent organization or future projects

# Roles and responsibilities



Participants	Description
Business Manager (BM)	Prepares the Business Implementation Plan.
Project Manager (PM)	Supports the Business Manager (BM). Updates the Project Work Plan to include all the business implementation activities which fall within the responsibilities of the Project.
Business Implementation Group (BIG) and other project Stakeholders	Are consulted for the impact analysis and are involved in the execution of the business implementation activities.
Project Owner (PO)	Reviews and approves the document.

RAM (RASCI)	AGB	PSC	PO	BM	UR	SP	PM	PCT
Business Implementation Plan	I	I	A	R	C	I	S	I

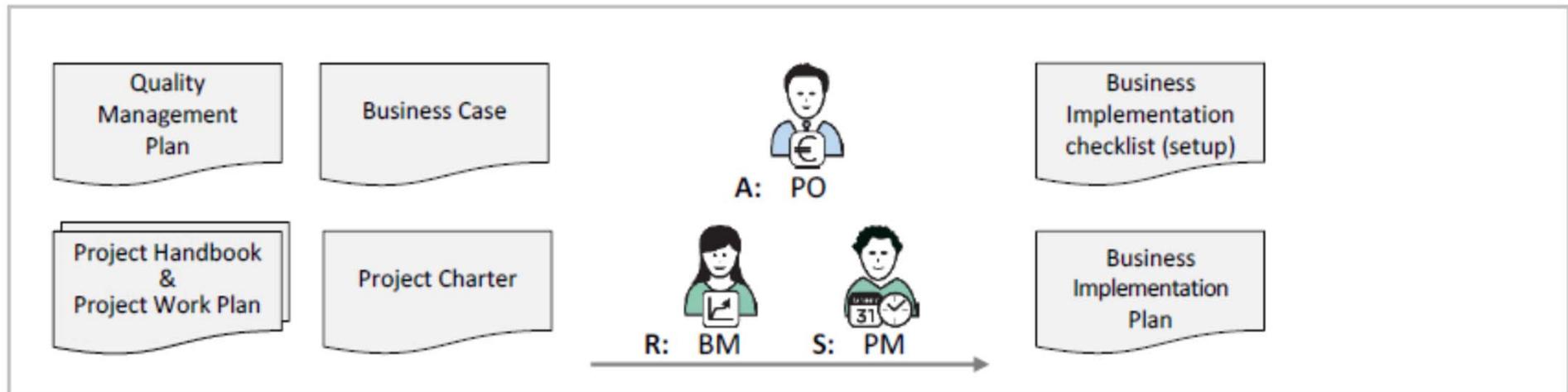


Fig 6.14 Business Implementation Plan – Inputs and main roles

Related Artefacts	Initiating	Planning	Executing	Monitor & Control	Closing
Implementation Management		Business Implementation Plan Transition Plan		Transition Checklist Business Implementation Checklist	Project-End Report (Post Project Recommendations)

# Business Implementation Plan



## 7. Business Implementation Plan

Planning Phase

### TABLE OF CONTENTS

1. IMPACT ON PROCESSES.....	4
2. IMPACT ON PEOPLE.....	4
3. IMPACT ON THE ORGANISATIONAL CULTURE.....	4
4. BUSINESS IMPLEMENTAITON STRATEGIES AND ACTIVITIES.....	4
4.1. Communications Strategy .....	4
4.2. Project Promotion Activities .....	4
4.3. Change Activities.....	4
4.3.1. Project Activities.....	4
4.3.2. Change Activities for the Permenant Organization .....	4
4.3.3. Post-Project Activities.....	4
4.4. Benefits Tracking.....	4
5. TRAINING NEEDS AND ACTIVITIES .....	4

# Questions & Discussion

---

