

Project Management and Change Management: An Integrated Approach

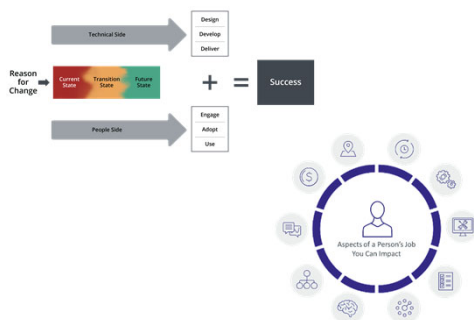
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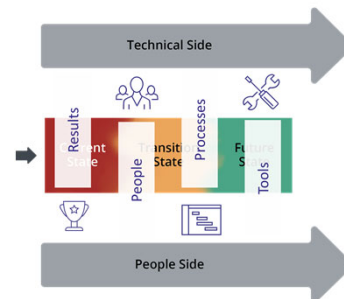
Agenda – PM and CM: An Integrated Approach

Context and Foundation for Change Management



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Dimensions of Integrating CM and PM



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Agenda – PM and CM: An Integrated Approach

Context and Foundation for Change Management

Reason for Change → Current State → Transition State → Future State

Technical Side: Design, Develop, Deliver

People Side: Engage, Adopt, Use

Success

Aspects of a Person's Job You Can Impact

Dimensions of Integrating CM and PM

Results: Current State, Transition State, Future State

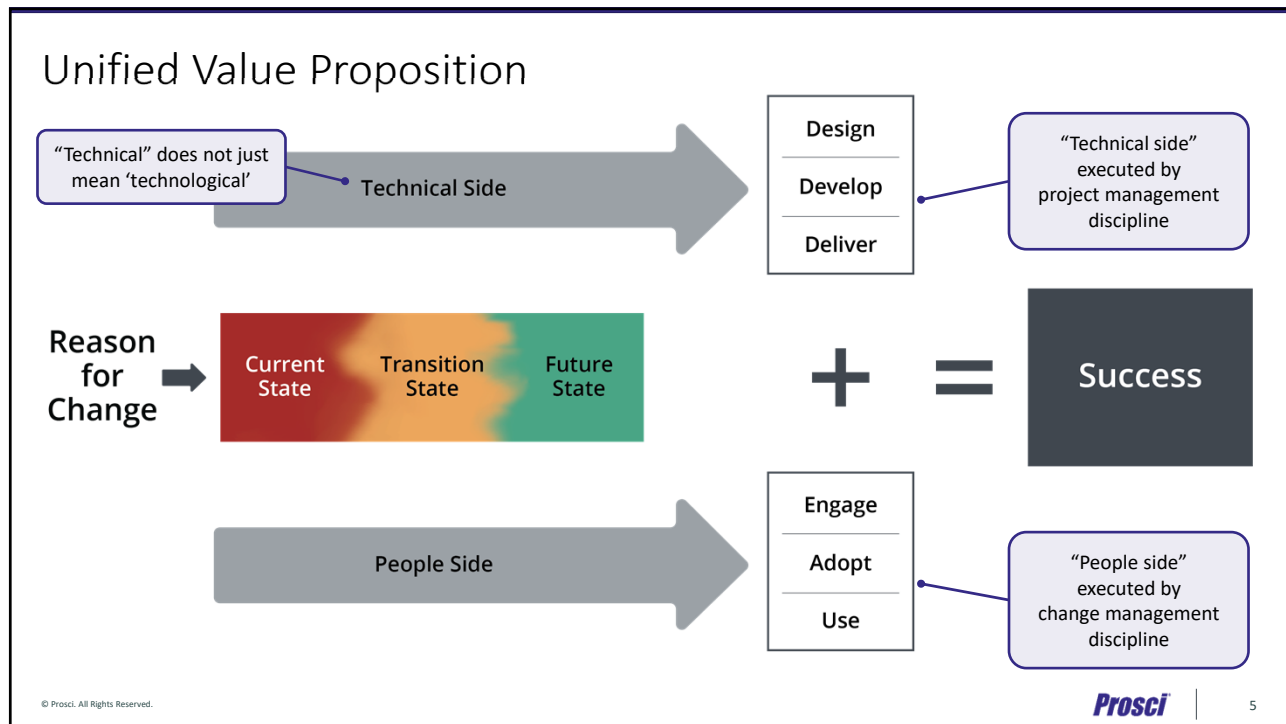
People: People, Processes, Future State

Tools: Tools, Processes, Future State

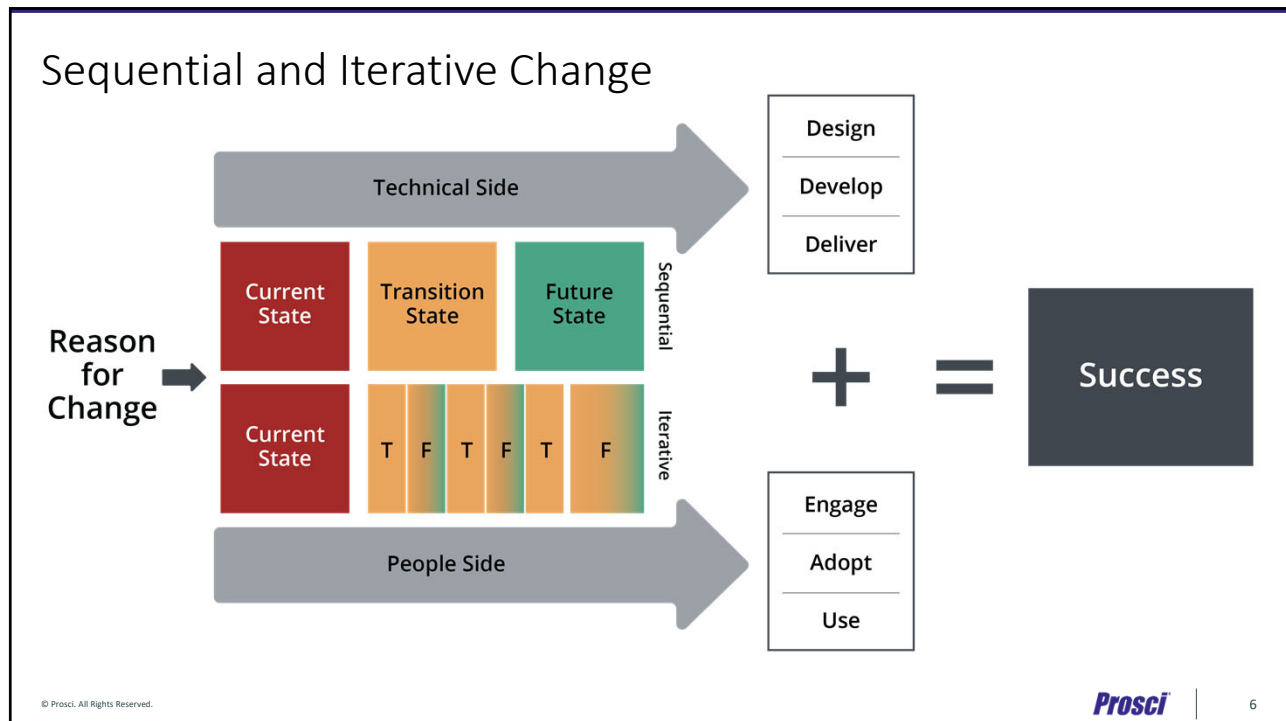
Success

Aspects of a Person's Job You Can Impact

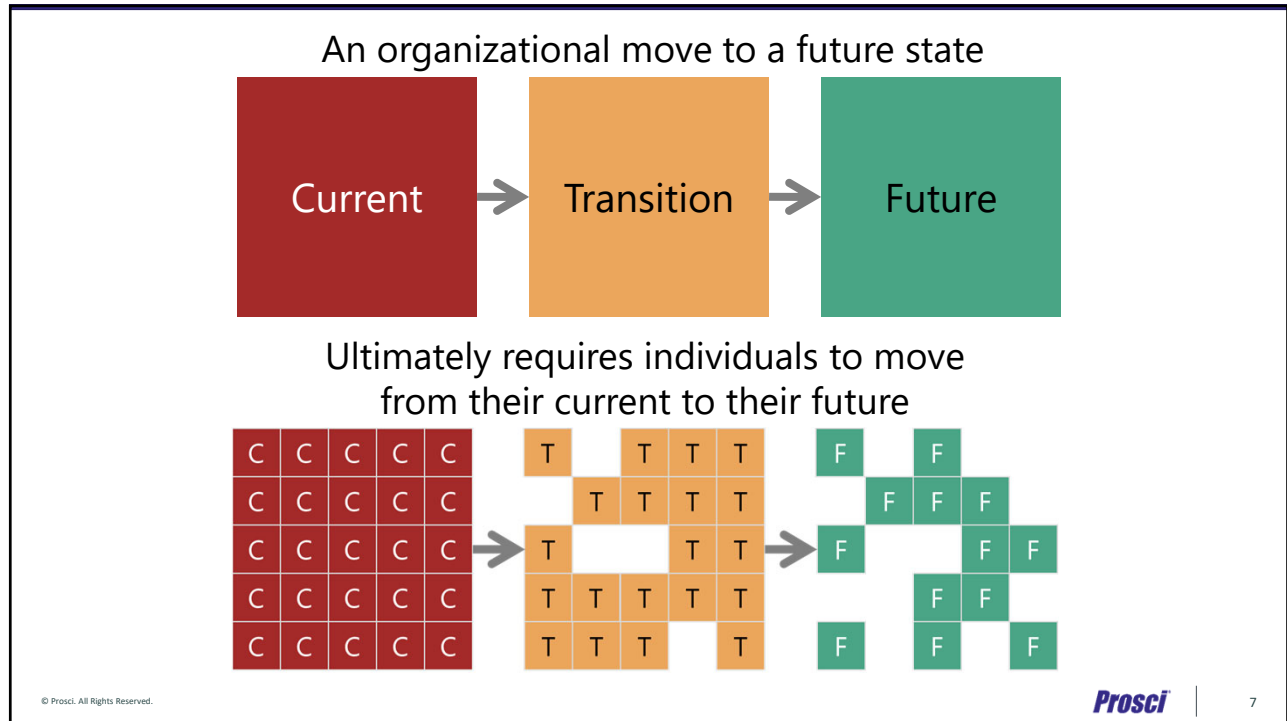
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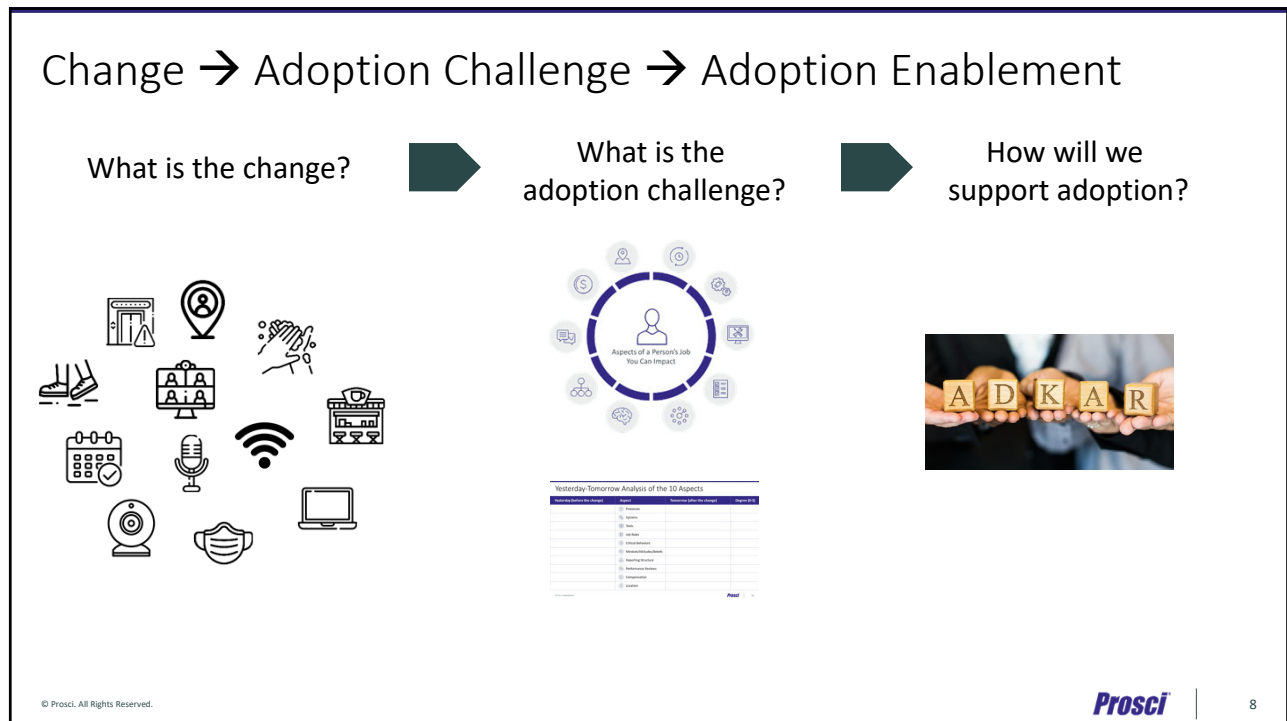
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Defining Impact Brings Change Into Focus



We're implementing
a new CRM system.

Which will have a "medium"
impact on your job.



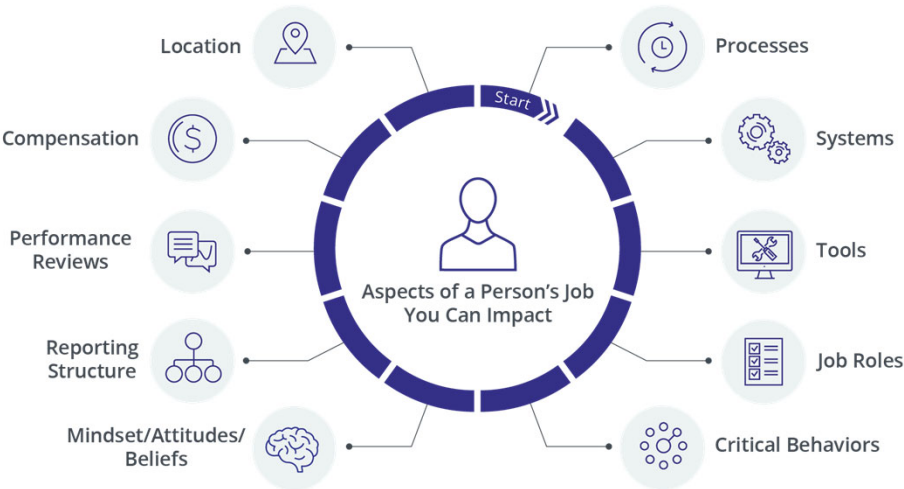
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10 Aspects of Change Impact













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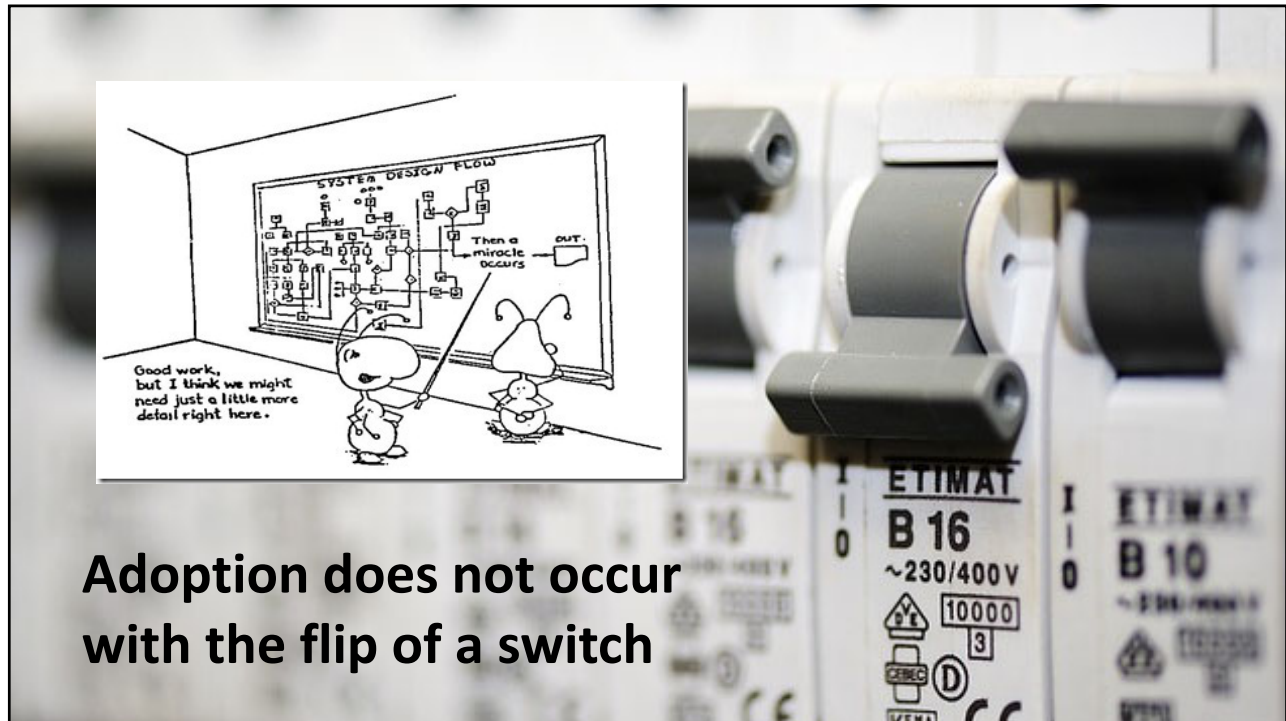
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Yesterday-Tomorrow Analysis of the 10 Aspects			
Yesterday (before the change)	Aspect	Tomorrow (after the change)	Degree (0-5)
	 Processes		
	 Systems		
	 Tools		
	 Job Roles		
	 Critical Behaviors		
	 Mindset/Attitudes/Beliefs		
	 Reporting Structure		
	 Performance Reviews		
	 Compensation		
	 Location		
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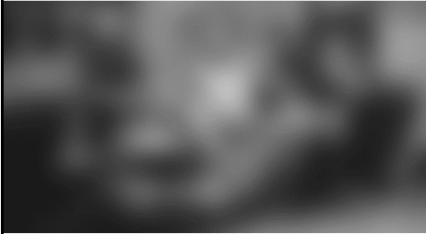






Project Challenge	Adoption Challenge
Install whiteboards at patient bedsides in hospitals.	Improve two-way communication in hospitals between patient, families and care providers.
Re-org from a line of business model to a geographic site-based model.	Enhance local-level authority and decision-making attuned to unique community needs.
Implement an ERP system with standard business processes and data.	Enable a parent company and subsidiaries to function as a unified team.

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**Adoption does not occur
with the flip of a switch**

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We're implementing a new CRM system.	Which will have a "medium" impact on your job.	 We will help Debbie shift from a transactional to relational mindset with customers.
		
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Building Blocks of Individual Change – ADKAR			
ADKAR element	Definition	What you hear	Triggers for building
A Awareness	Of the need for change	“I understand why...”	Why? Why now? What if we don’t?
D Desire	To participate and support the change	“I have decided to...”	WIIFM Personal motivators Organizational motivators
K Knowledge	On how to change	“I know how to...”	Within context (after A&D) Need to know <i>during</i> Need to know <i>after</i>
A Ability	To implement required skills and behaviors	“I am able to...”	Size of the K-A gaps Barriers/capacity Practice/coaching
R Reinforcement	To sustain the change	“I will continue to...”	Mechanisms Measurements Sustainment

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Project Management prepares the solution for the organization

Change Management prepares the organization for the solution

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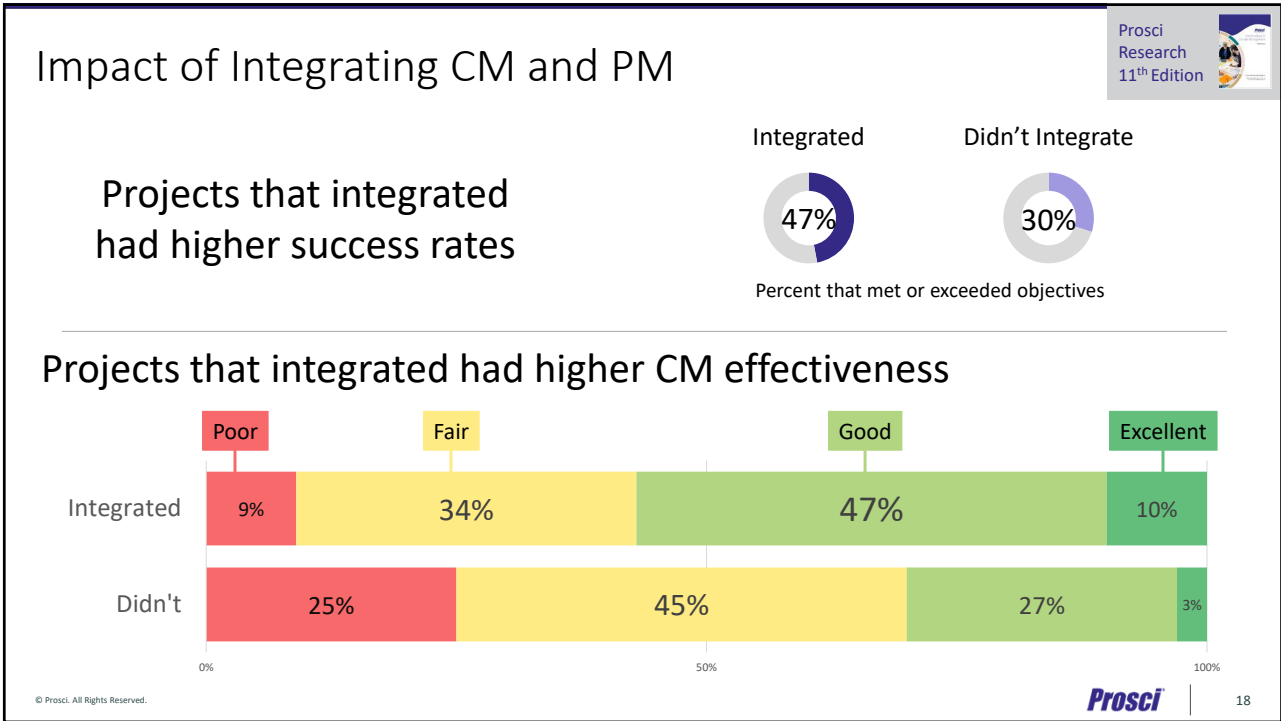
Top Contributors to Success	Last Two Year – Internal Trends	Next Five Year – External Trends
<div><div>1) Sponsorship</div><div>2) Structured approach</div><div>3) Communication</div><div>4) Employee engagement</div><div>5) Dedicated funding and resources</div><div>6) Project management integration</div><div>7) Middle management engagement</div></div>	<div><div>1) Greater understanding of the value of CM</div><div>2) Broader application of CM</div><div>3) Improved adoption of a standard CM model or approach</div><div>4) Lack of adequate dedicated resources for CM</div><div>5) Increased focused on capability-building across the org</div><div>6) Improved integration with PM</div><div>7) Increased leadership support for CM</div></div>	<div><div>1) Adopting Agile methodology</div><div>2) Establishing CM as a core component more frequently and on more project types</div><div>3) Increasing training, education, competency</div><div>4) Increasing awareness of the need for CM</div><div>5) Increasing digitalization and use of virtual tools</div><div>6) Integrating with project management</div><div>7) Establishing CM offices and formalized internal roles</div><div>8) Integrating people side impacts into org culture</div></div>

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Advice on Integrating CM and PM



- 1. Use a structured plan: Intentional approach to integrate people, processes, and tools
- 2. Communicate: Clear, frequent, explicit, data-driven
- 3. Build a relationship: "We're on the same team!"
- 4. Emphasize the benefits of CM: CMROI = capturing the people-dependent portion of expected project ROI
- 5. Educate and train: CMs learning PM; PMs learning CM
- 6. Secure sponsorship: Active and visible sponsorship of the integration effort

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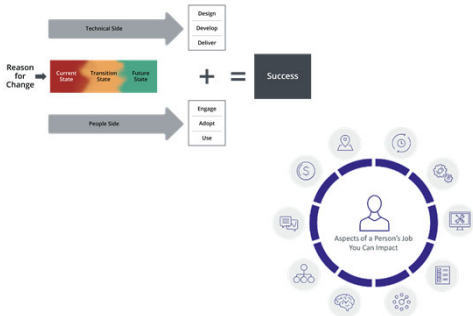
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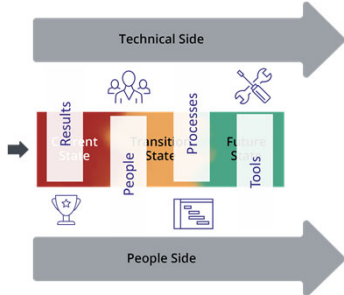
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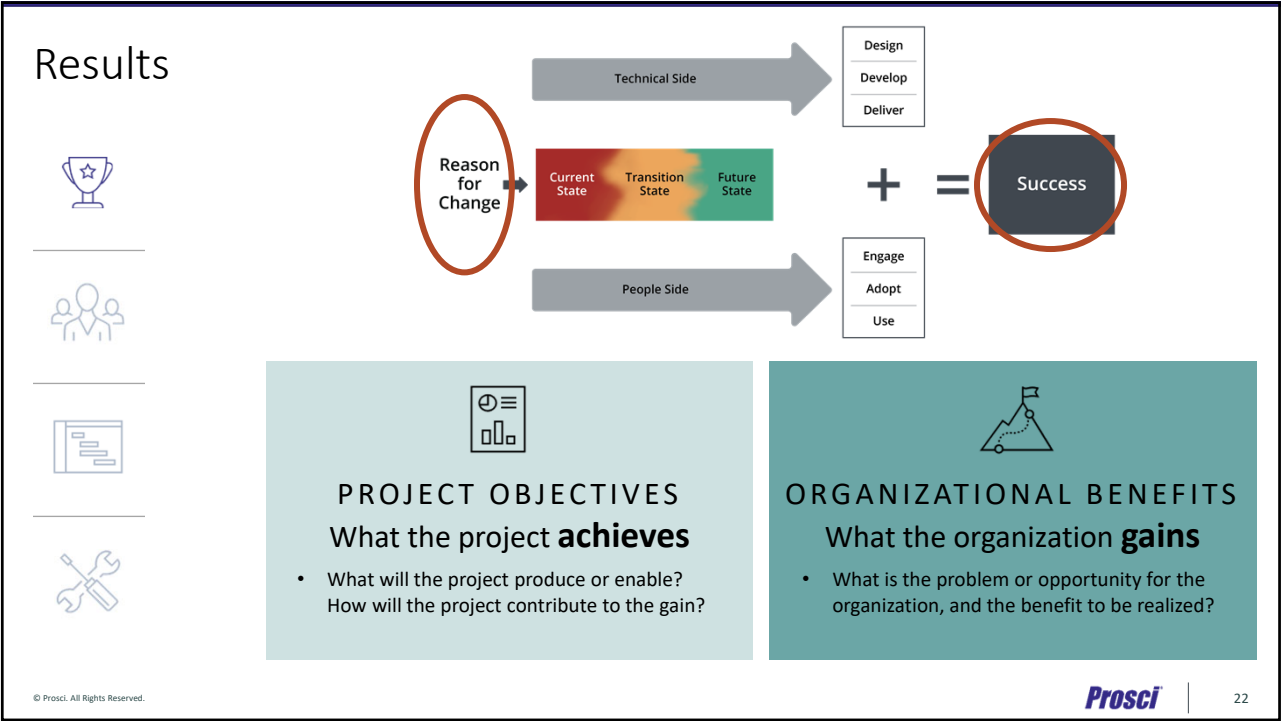
	Results	Why we do what we do	55%
	People	Who does it	89%
	Processes	How we do it	77%
	Tools	What we use to do it	51%

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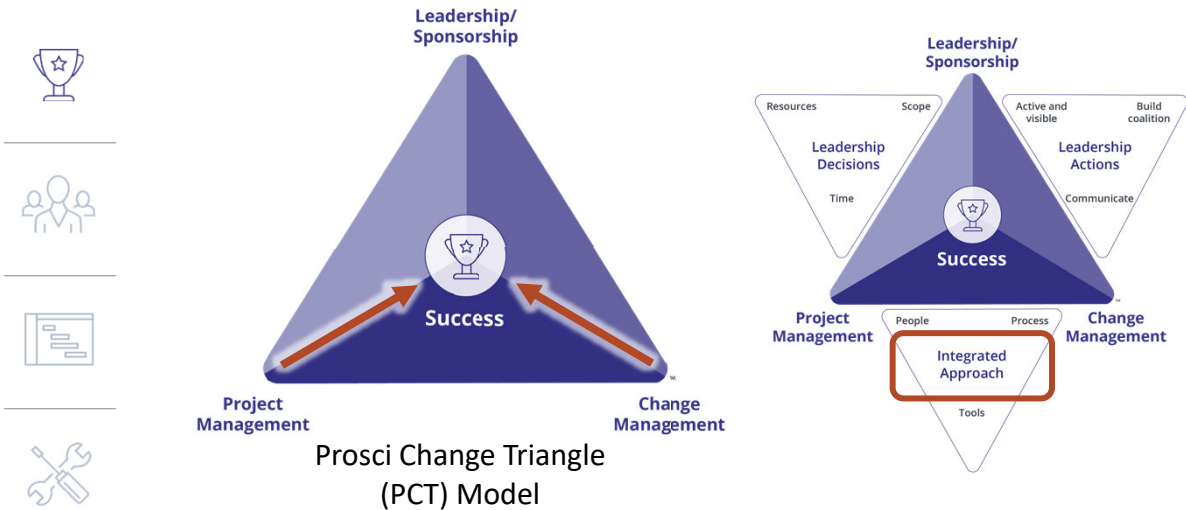
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Results



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Capture the People-Dependent Portion of ROI

Project 1: Install motion-activated lights in meeting rooms



Project 2: Install recycle and compost bins in the office



How much of the expected ROI depends on adoption and usage?

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The Key Question



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Avoidable Costs and Mitigable Risks

	Costs:	Risks:
To the project if we do not manage the people side of change well	<ul style="list-style-type: none">Project delaysMissed milestonesBudget overrunsRework requiredLoss of work by project team	<ul style="list-style-type: none">Resistance – active and passiveProject put on holdResources not made availableObstacles appear unexpectedlyProject fails to deliver resultsProject is fully abandoned
To the organization if we do not manage the people side of change well	<ul style="list-style-type: none">Productivity plunges (deep and sustained)Loss of valued employeesReduced quality of work	<ul style="list-style-type: none">Impact on customersImpact on suppliersMorale declinesLegacy of failed changeStress, confusion, fatigueChange saturation
To the organization if this change does not deliver the results we expect	<ul style="list-style-type: none">Lost investment in the projectLost opportunity to have invested in other projects	<ul style="list-style-type: none">Expenses not reducedEfficiencies not gainedRevenue not increasedMarket share not capturedWaste not reducedRegulations not met

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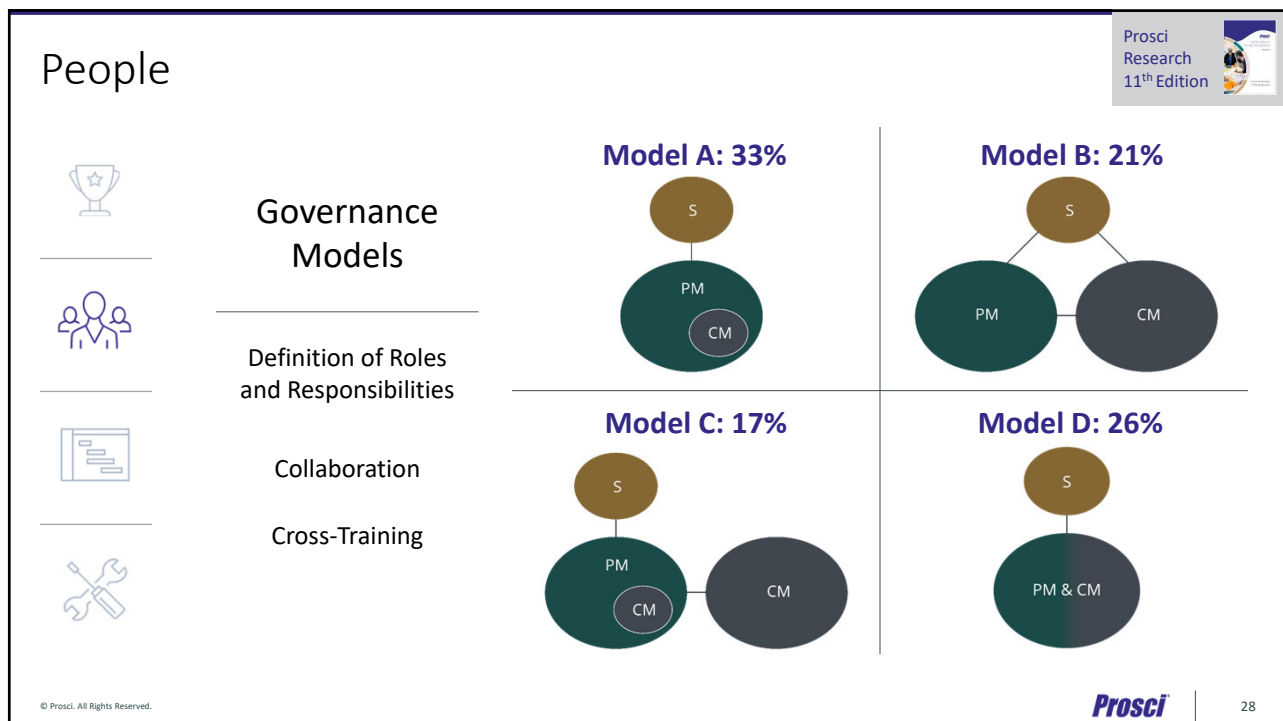
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<p>Costs and risks of poor adoption and usage</p> <ul style="list-style-type: none"> • abandoning of service/tool • abandonment of truly good change • additional project costs • additional time • additional training • additional travel • alienation of team members • ambiguity • anger • attrition • audit failures • audit findings • bad attitudes • bad data • bad decisions • budget cuts affecting project support staff • buying new technology - over and over • canceled project • cash flow • change calendars • change overload • change requests • changing requirements • changing timelines • complications • conflict • confusion • contractual penalties • cost of a new technology tool • customer dissatisfaction • cycle of project failures • cynical employees 	<ul style="list-style-type: none"> • cynicism • declining morale • decreased confidence in management • delayed implementation • delayed results • delayed rollout • delayed timeline • delays • dissatisfied customers • distrust in leaders • domino effects on other projects • duplication • egg on leader's face • employee disengagement • employee experience • employee frustration • employee loss • employee resistance • excess time spent on task • extended contracts • extended project schedules • extended utilization post implementation • failed efforts • failed project results • failed projects • failure to deploy a major implementation • failure to provide accurate details • fear of new systems • fines • frustration • further organizational 'scar tissue' • going back to the drawing board 	<ul style="list-style-type: none"> • go-live delay • halting project • "here we go again" • high turnover • hyper-care costs • impact to customer • inconsistent ways of working • incorrect information • initiative failure • lack of adoption • lack of comprehension of roles and responsibilities • lack of transparency • lack of trust from end users of tool • lengthened time to ROI • less delivered for more money • longer delivery to market • losing excellent employees • losing key team members • losing resources • losing the audience of change • loss of clients • loss of credibility • loss of customers • loss of efficiency • loss of high performing talent • loss of institutional knowledge • loss of key accounts • loss of key talent • loss of market value • loss of money • loss of moral • loss of productivity • loss of staff • loss of time • loss of trust • low adoption • low morale 	<ul style="list-style-type: none"> • miscommunication • mis-integration • missed implementation dates • missed requirements • missed target ROI • missing key milestone dates • missing revenue goals • morale degradation • morale issues • more hand holding • more training • negative comments • negative customer impacts • negative employee morale • negative impact to reputation of the project and sponsors • negative impacts to future change • negative impressions of program • new system not used • no results • no usage • over budget • overtime costs • plummeting service levels • poor customer experience • poor customer service • poor marketing • poor results • poor service offering • productivity drops • project delays • project failure • pull out part of functionality • pulling in consultants to help post-change • reboot • re-communicate 	<ul style="list-style-type: none"> • re-design • re-development • redo • reduced confidence in future • reduced trust in process and project team • re-engineer • re-explaining • regret • regulatory impacts • re-implementation • re-launch • remediation • re-organization • repeated training • replace resources • replace the entire software with a new one • replace with new system • re-planning • reputational risk • re-scope • resentment • resignation • resistance • resistance to future change • resistance when it didn't exist initially • resources • resources undesignated • re-start of projects • re-train • re-training • reverting • rework • rogue solutions and shadow systems • ruined relationships • rumors 	<ul style="list-style-type: none"> • salary costs • schedule change • scope change • scope creep • shadow systems and all maintenance costs for those • silos within integrator team • skepticism • staff dissatisfaction • staff turnover • stagnant workers • stakeholders not available • starting from square one again • terminations • time away from work to deal with system errors • travel • trust issues with leaders • turnover • uncertainty • underdeveloped requirements • unfilled vacancies • unhappy leaders • unnecessary processing • unnecessary software development • unorganized training • unrealistic deadlines • unused systems • using incorrect success measures • wasted man hours • wasted production time • weak sponsorship • "we've had enough" • work disruption/stoppage
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People: Team Structure Options



Advantages of Integrating PM and CM Teams

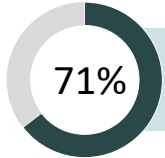
1. Active communication and expertise
2. Successful integration and collaboration
3. Influence in decision making
4. Effective project planning
5. Proximity to change (engagement)

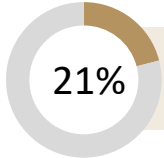
Advantages of CM Outside but Supporting PM

1. Objectivity
2. Autonomy and independence
3. Direct access to primary sponsor
4. Flexibility
5. Enabled specialization
6. Provides support

Regardless of your team structure, what is your access to the sponsor?



71% With adequate access met or exceeded project objectives







21% With little or no access met or exceeded project objectives

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People: Core Roles in Change Management

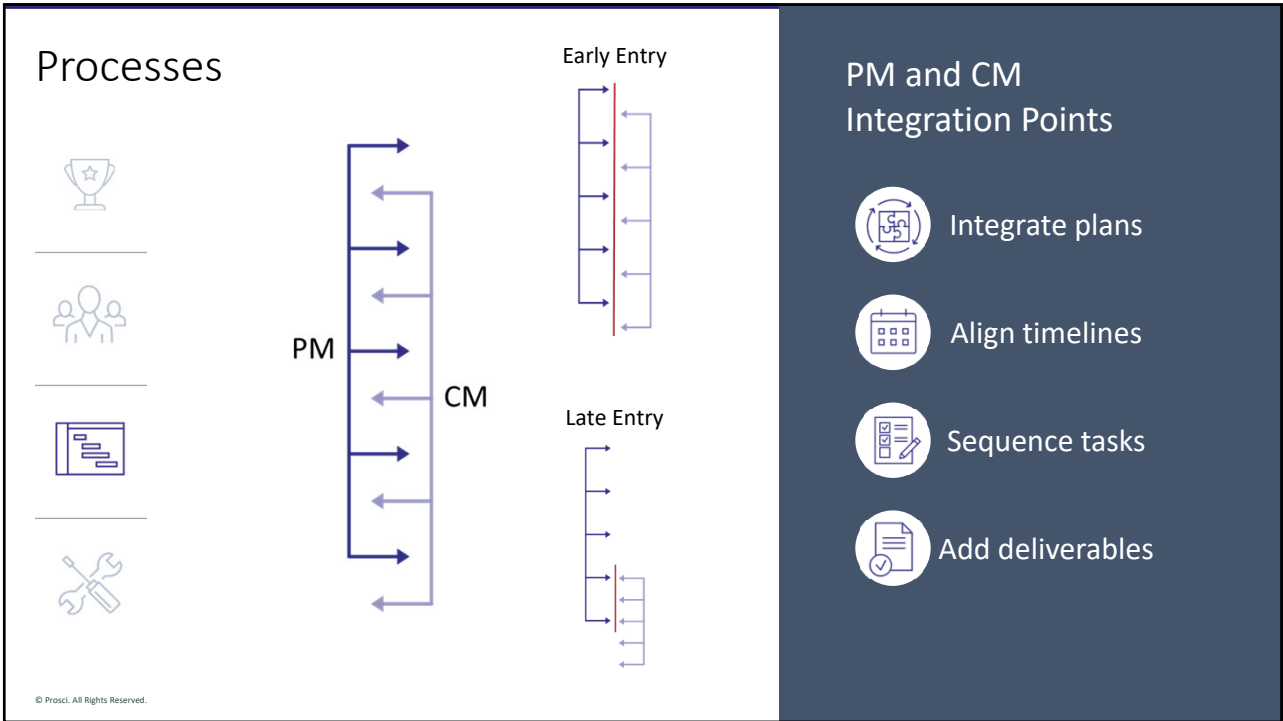
Employee-Facing Roles	Enabling Roles
<div style="text-align: center;">  <p>Sponsor</p> </div> <ul style="list-style-type: none"> • Authorize the change • Fulfill three key roles: (ABCs) <ul style="list-style-type: none"> • Actively and visibly participate throughout the project • Build a coalition of sponsorship with peers and managers • Communicate directly with employees 	<div style="text-align: center;">  <p>Change Practitioner</p> </div> <ul style="list-style-type: none"> • Apply structure and intent to change • Enable and equip other change roles • Collaborate on a unified approach with the project manager
<div style="text-align: center;">  <p>People Manager</p> </div> <ul style="list-style-type: none"> • Support direct reports in their change journeys • Fulfill five key roles: (CLARC) <ul style="list-style-type: none"> • Communicator • Liaison • Advocate • Resistance Manager • Coach 	<div style="text-align: center;">  <p>Project Manager</p> </div> <ul style="list-style-type: none"> • Design, develop and deliver the technical solution with employee adoption and usage in mind from the beginning • Collaborate on a unified approach with the change practitioner

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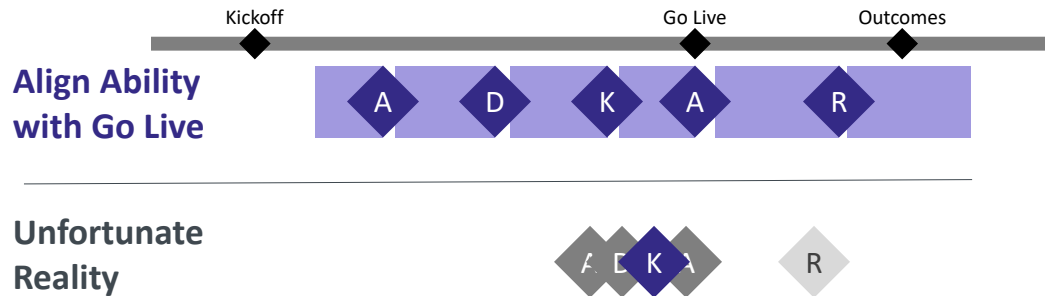
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Processes: Aligning Ability With Go Live

ADKAR milestones describe individual progress and need to align with the lifecycle of the initiative.



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Processes: Aligning ADKAR to the Change Process

Sequential

A change that results from a series of progressive steps that culminate in a singular push to the organization.

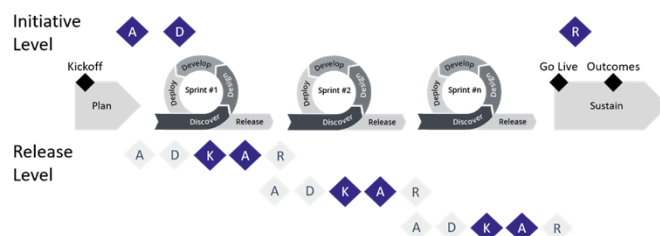
Eg. Waterfall PM



Iterative

A change that results from repeated cycles of change, with each cycle moving toward the final, intended outcome.

Eg. Agile or PDCA



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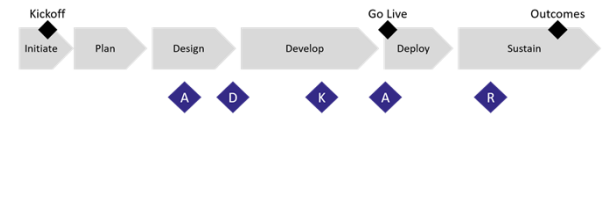
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Processes: Aligning Technical and People Side Milestone Dates

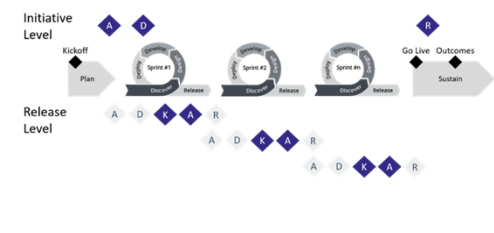
Sequential

Key Project Milestones	Date	ADKAR Milestones	Date
Kickoff		Awareness	
Go Live		Desire	
Outcomes		Knowledge	
		Ability	
		Reinforcement	







Iterative

Key Initiative Milestones	Date	ADKAR Milestones	Date	Rel. 1	Rel. n
Kickoff		Awareness			
Release 1		Desire			
Release 2		Knowledge			
Release n		Ability			
Go Live		Reinforcement			
Outcomes					

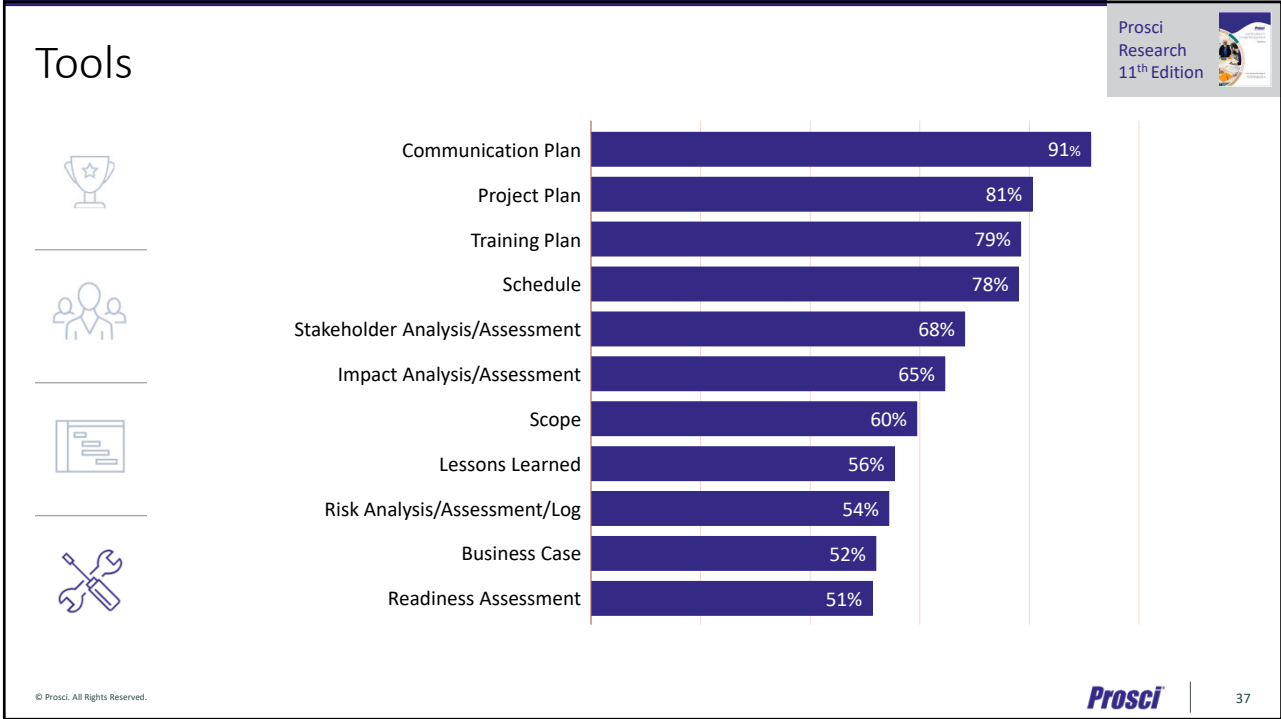


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Processes


	Project Management Activities	Change Management Activities
	Initiate Project →	
	Scope Project →	← Conduct readiness assessments and impact analysis
	Plan Project →	← Identify and begin building sponsor coalition Select and prepare change management team
	Establish objectives →	← Identify and address anticipated resistance
	Document approach →	← Communicate why change is happening (sponsors)
	Define team and budget requirements →	
	Design Solution →	← Prepare and equip managers and supervisors
	Benchmark and gather data →	← Continue communications and sponsorship activities
	Generate ideas and select concepts →	← Launch group and coaching sessions Reinforce key messages (sponsors)
	Model solutions →	
	Document requirements →	← Continue communications and sponsorship activities
	Develop Solution →	
	Evaluate alternatives →	← Identify training requirements and develop training
	Architect solution →	← Continue communications, sponsorship and coaching activities

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How Might We Effectively Integrate?




Results

How might we align on the common objective: improving change outcomes?




People

How might we create an effective partnership with clear roles and responsibilities?



Processes

How might we sequence our milestones, tasks and activities to work together?



Tools

How might we be more efficient and effective by combining the tools we use?

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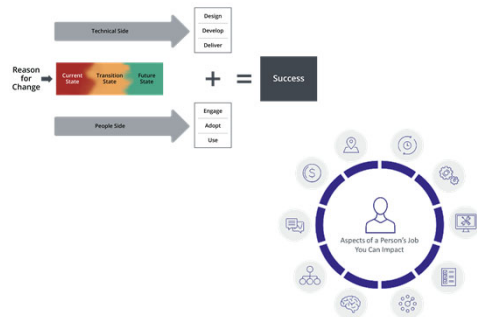
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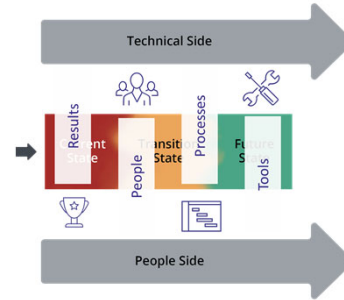
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Agenda – Complementary Disciplines; Common Objective

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Complementary Disciplines With a Common Objective

Why integrating change management and project management matters:

Against the backdrop of increasing **velocity** of change and increasing **demand** to realize value and expected outcomes, it is essential to bring about change by **designing, developing and delivering** a technical solution that is also **engaged, adopted and used** proficiently by those people who bring said solution to life in their daily work.

The effective integration and execution of change management and project management is what enables the delivery of success, results and outcomes.

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