Change Management for BPM
ABPMP, Boston Chapter
November 9, 2011

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Agenda

• Reasons why projects fail
• Organizational Change Concepts
• Project Change Control vs. Change Leadership
• Change Management Methodology and Tools
• Practice /Open Forum Discussion
Your BPM Implementation is Bound to Fail

Lack of User Involvement
Poor or No Requirements

According to Gartner, 70 to 80 percent of business intelligence projects fail.

Lack of Sponsorship
Lack of Vision

Business IT misalignment
Poor Communication

Leadership
No metrics

CIO analysis: Why 37 percent of projects fail

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Reasons why BPM projects stall or fail

6. Taking too long to model processes
5. Not knowing where to start
4. Having IT drive the initiative
3. Not having a strong process improvement methodology
2. Creating a BPM center of excellence

Source: Connie Moore, Forrester Research
Drum roll please...

1. no thought of the end user

Change Management is the #1 reason BPM, IT, and strategy projects fail
Academic View on Change Failures

**Mike Beer’s “Six Silent Killers”**

1. Unclear strategy, values, and conflicting priorities
2. Leadership style – top down or laissez faire
3. An ineffective top team
4. Poor coordination across businesses or functions
5. Closed and conflicting vertical communication
6. Inadequate leadership / management skills and development in organization

**John Kotter’s “Eight Errors”**

1. Failing to establish a sense of urgency
2. Not creating a powerful guiding coalition
3. Lacking a vision
4. Undercommunicating the vision by a factor of 10
5. Not removing obstacles to the new vision
6. Not systematically planning for, and creating short term wins
7. Declaring victory too soon
8. Not anchoring changes in the corporation’s culture
## Project Pitfalls

### Observed “Pitfalls”

1. Lack of sponsorship/ownership
2. Lack of buy in from all levels
3. New capabilities don’t fit with existing processes
4. Inadequate training
5. Insufficient planning for resource availability
6. Insufficient setting and communicating of expectations
7. Resource capabilities not aligned with project needs
8. Insufficient escalation of key issues to be resolved

“We currently don’t have a process to escalate key issues that affect the project teams ability to move forward.”

“There’s not enough open communication around the organization, so word travels through political channels and causes confusion.”

“From the start, all of these projects have been owned completely by the CIO, and while there has been business 'involvement', there has never been 'ownership' of the output.”
Business transformations often fail because of natural human reaction and resistance to change.

The only one who likes change is a wet baby.

Change requires taking people out of their comfort zones.
Change Concepts
Definition

Change Management is:

An art and a science

Adoption => ownership => engagement

Is about people!

**Goal:** Full adoption of the desired future state, resulting in sustainable long term behavior changes and performance increases that result in realizing the business outcomes that maximize the expected ROI.
In the old days...
John Kotter’s 8-Step Process for Leading Change

Establishing a Sense of Urgency
Creating a Guiding Coalition
Developing a Change Vision
Communicating the Vision for Buy-in
Empowering Broad-based Action
Generating Short-term Wins
Never Letting Up
Incorporating Changes into the Culture
Daryl Conner’s 8 Patterns of Resilience to Change

- The Nature of the Change
- The Process of Change
- The Roles Played During Change
- Resistance to it
- Commitment to it
- How Change Affects Culture
- Synergy
- The Nature of Resilience

Human Reaction to Change = Loss of Control

Resilience -- the ability to recover from or adjust easily to misfortune or change

Source: Managing at the Speed of Change, Daryl Conner
Today

- A leadership imperative
- Change or Die

In today’s world, innovation and change are inextricably linked-- “Innovation is the ability to see change as an opportunity - not a threat”
"This really is an innovative approach, but I'm afraid we can't consider it. It's never been done before."
Change Control vs. Change Leadership
Change Control vs. Change Leadership

ability to purposefully direct or suppress change

guided coordination...focusing on the intrinsic motivation of the individuals who are subject to the change or defining the change.

Source: The Partnership Between Project Management and Organizational Change: Integrating Change Management with Change Leadership
Barber Griffith-Cooper Karyl King
## Change Control vs. Change Leadership

### Change Control

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>Integration Change Control</td>
<td>Managing change across all bodies of knowledge</td>
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<tr>
<td>Scope Change Control</td>
<td>Controlling changes to project scope</td>
</tr>
<tr>
<td>Schedule Control</td>
<td>Controlling changes to the project schedule</td>
</tr>
<tr>
<td>Cost Control</td>
<td>Controlling changes to the project budget</td>
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<tr>
<td>Quality Control</td>
<td>Monitoring specific project results to determine if they comply with relevant quality standards, and identifying ways to eliminate causes of unsatisfactory performance</td>
</tr>
<tr>
<td>Risk Monitoring and Control</td>
<td>Monitoring residual risks, identifying new risks, executing risk reduction plans, and evaluating their effectiveness throughout the project life cycle</td>
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<tr>
<td>Procurement</td>
<td>Defines the process by which the contract may be modified</td>
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### Change Leadership

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<tr>
<td>Convey the stages of human reaction to change, to prepare leadership and staff.</td>
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<tr>
<td>Assess the individual and organizational readiness for change.</td>
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<td>Assess the organizational culture and the potential barriers to change.</td>
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<tr>
<td>Develop strategies and tactics to support the change initiative.</td>
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<td>Diagnose and overcome the resistance to change.</td>
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<tr>
<td>Develop a collaborative and systemic point of view.</td>
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<tr>
<td>Ensure two-way communication that conveys information on the human aspects of change upward to leadership and downward to staff.</td>
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<tr>
<td>Supply direct leadership involvement through support and engagement.</td>
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</table>

Change Methodology and Tools
Change Management Activities

Current State

Planning

Change Impact

Readiness

Communication Training

Execution

Stakeholder Management

Future State

Change Strategy

Leadership

Sponsorship

Alignment

Engagement
Assessing Change Impact

Impact to the Organization

- Low
  - Management Issue
- High
  - Change Management Issue

<table>
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<tr>
<th>Impact to the Individual</th>
<th>High</th>
<th>Low</th>
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<tbody>
<tr>
<td>High</td>
<td>Change</td>
<td>Management</td>
</tr>
<tr>
<td>Low</td>
<td>Business</td>
<td>as Usual</td>
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<tr>
<td></td>
<td>Training</td>
<td>or Communication</td>
</tr>
<tr>
<td></td>
<td>Issue</td>
<td>Issue</td>
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Calibrating the magnitude of change is important in order to establish the right tools and strategies to manage the implementation.
Key Shifts

From:

Ad hoc practices

To:

Deliberate, Systematic, Comprehensive practices

Is the business case compelling?
Does it create a sense of urgency?
Is the vision for the future state clear?
Assess Leadership’s Position/Engagement

1. Has leadership crafted a powerful and compelling vision that is well understood by all stakeholders?
2. How does this vision align the change initiative to the overall strategy?
3. Does leadership take “real” ownership and sponsorship of the project?
4. How will leadership respond to resistance?

“Heart power is stronger than Horse power.”
- HJ Heinz
Change Readiness

- Common methods include surveys, focus groups, interviews
- Environmental or workplace analysis – context for change
- Identify cultural enhancers and barriers

Conduct walk-throughs to flush out additional issues
The Change Curve™ - Concept

Where we are

Where we want to be

Gain

Investment

time
Stakeholder Planning and Analysis

- Why are we changing this NOW?
- Where does my team fit into this picture?
- What’s in this for ME?
- What does success look like anyway?
## Sample Stakeholder Analysis

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Current belief, attitude or behavior</th>
<th>Desired belief, attitude or behavior</th>
<th>Action Plan</th>
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<tr>
<td>Buyers/Planners</td>
<td>They’ve told us 4 times before that new software is coming. I don’t believe it.</td>
<td>This application will make my job easier.</td>
<td>Build credibility by meeting deadlines, communicating honestly about delays or setbacks</td>
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<td>Buyers/Planners</td>
<td>I don’t even know what my new job will be. Why should I attend these sessions now?</td>
<td>I look forward to my new role. In the meantime, it’s be good for me to be informed.</td>
<td>Articulate a clear vision of what we’re trying to achieve and what it means to all levels. Align closely with HR.</td>
</tr>
<tr>
<td>Users</td>
<td>This is an IT project.</td>
<td>Technology enables business users to perform their jobs. The business is the ultimate owner of this application.</td>
<td>Involve business users throughout all phases of the project. Show them how the design meets their needs and keep them informed along the way.</td>
</tr>
<tr>
<td>Users</td>
<td>Not another change.</td>
<td>Great! This process wasn’t working anyway.</td>
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Adoption of Change - Organizational View

Where do your stakeholders fall?

Adoption of Change - Individual View

The Process of Transition

- Can I cope?
- At last something’s going to change!
- What impact will this have? How will it affect me?
- Change? What Change?
- Denial
- This is bigger than I thought!
- Disillusionment
- I’m off!! … this isn’t for me!
- Moving Forward
- I can see myself in the future
- Gradual Acceptance
- Who am I?
- Depression
- Threat
- Guilt
- Happiness
- Anxiety
- Fear

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Emotional Cycles of Change

Studies by E. Kubler-Ross
Emotional Cycles of Change

NEGATIVELY PERCEIVED CHANGE

Studies by E. Kubler-Ross
Mobilizing for Change

1. Stakeholder Planning (Who is impacted and how?)
   - Functional breakdown
   - Stakeholder Analysis
   - WIIFM, business case justification, benefits to stakeholders

2. Organization, Culture, Institutional memory
   - Work environment analysis
   - Attitudes about change
   - Supporting infrastructure

3. Link to Project and Performance Management
   - Organizational performance gap
   - Is the case for change compelling?
   - What is the expected benefit
   - Timeline

4. Mobilization Workshop
   - Align leaders and sponsors
   - Organize and position change agents
   - Make key decisions
   - Develop communication and training strategy

5. Change Plan

6. Implementation, Program and Project Management
Stakeholder Communication

- Use all channels/media
- One way and two way communications
- “Day in the Life”
- Brown and White Paper Fairs
Stakeholder Engagement

• Goal is to move from acceptance to ownership
• Think about “Influence Without Authority”

There are only 2 ways change can happen— it can be “given” to you, or you can help to craft it.
Dealing with Resistance

Why?

- Do not understand why
- Do not have competencies
- Do not have time/bandwidth
- Don’t agree with the change
- No consequence for status quo
- Feeling the fear

“Smith Corona— the BEST typewriter company in the world!”

Source: Exploiting Chaos, by Jeremy Gutsche
Overcoming Resistance to Change

Strategies to Win Buy-In

Give folks a chance to complain about existing conditions—complaints reveal what they care about the most.

Baseline
Enemies of Change

- Fixed Expectations
- We’ve always done it this way
- Not invented here
- Group Think
- Shadow processes
- This too shall pass
- Passive aggressive resistance
- Pass the buck decision making
- Lack of trust and open communication

What is the payoff? This is where it gets HARD.
Sample Activity Timeline

Leadership Engagement

Data Collection

Data Analysis and Planning

Design

Implementation

Program Management and Communication

Training

Oct 15

Nov 1

Nov 15

Dec 15

Jan 15
The New Survival Skills

- Accept that the world never returns to normal
- The time to act is always now
- You don’t need to have everything figured out
- There is comfort in chaos: Get uncomfortable

“It is not the strongest of the species that survives, nor the most intelligent, but rather the one most adaptable to change.”

-Charles Darwin

Source: Exploiting Chaos, Jeremy Gutsche
Exercises
Exercise - Stakeholder Analysis

Think about a project you’re working on or participating in

- Complete the Stakeholder Analysis template for 5 stakeholders or stakeholder groups.
- Debrief with your neighbor about the insights you gained about what you might do differently

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## Exercise

| Future State from the Organization’s Perspective | Future State for 5 Individuals Impacted by the Change |
Exercise

Think about a change you participated in or observed:

1. What were the signs of resistance that you observed.

2. What could management or leadership have done to help these stakeholders move forward in the adoption process?
Thank you

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