

Shift Happens

Realizing Organizational Transformation Projects



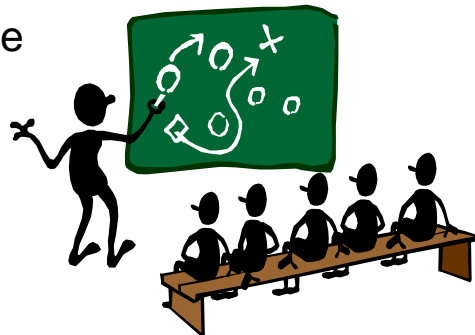
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Dealing with Change

- Why change?
- Organizational change process
- A case study
- When you are the change target
- Conclusion



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Why Change?

Some reasons:

- Eliminating bureaucracy
- Minimize duplication
- Add value
- Pursue opportunities
- Simplify processes
- Reduce process cycle-time
- Error Proofing
- Upgrade systems
- Reduce complexity
- Standardization
- Quality management
- Merge processes with partners
- Reframing—big picture Improvements
- Automation and/or mechanization
- General problem solving
- ...and more

Based on *Business Process Improvement*, H. James Harrington

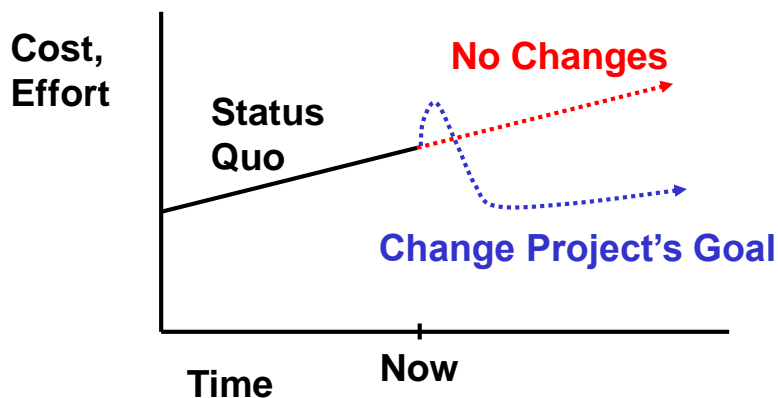
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Change Is Rarely Easy

Changes are accepted if:

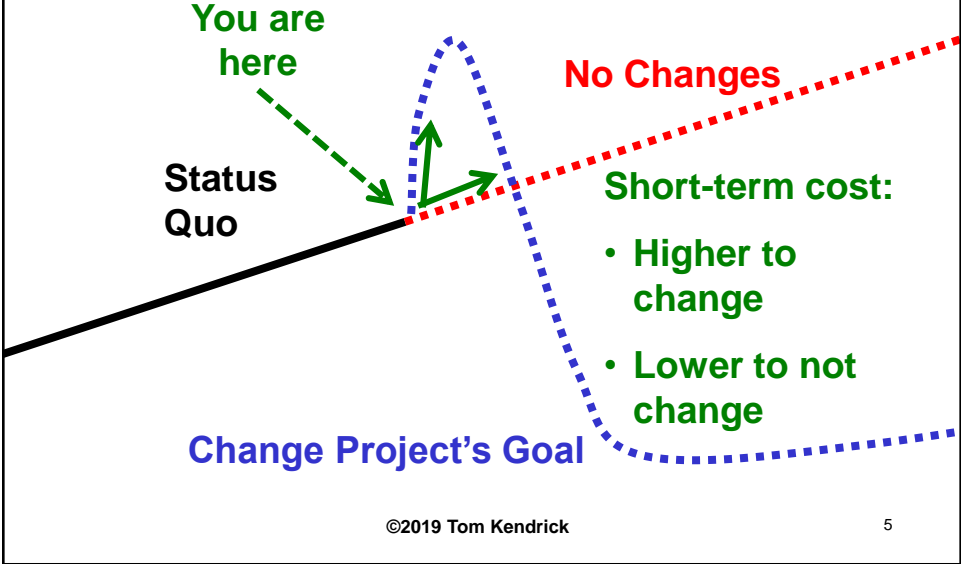
- The benefits are sufficient (and obvious)
- The costs appear to be justified



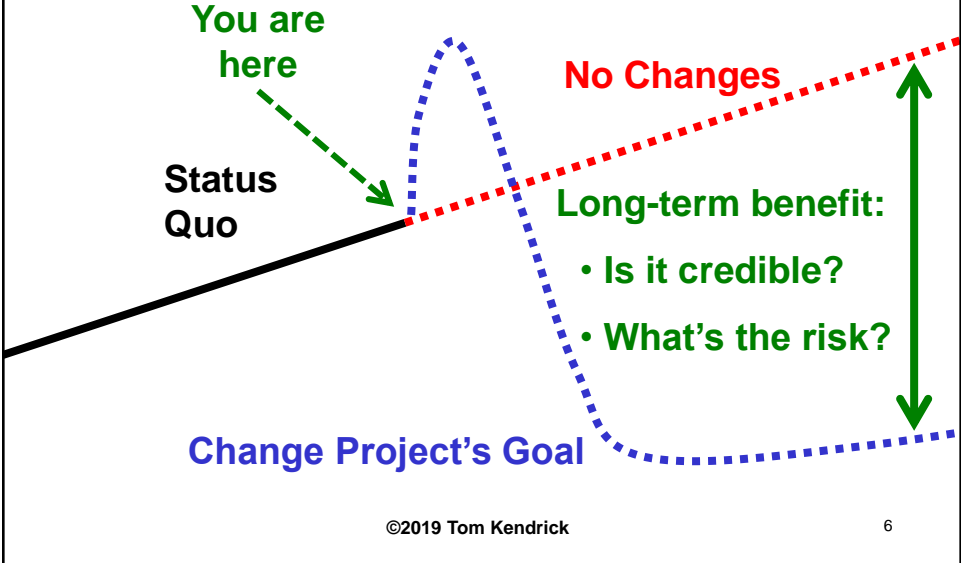
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Change Questions



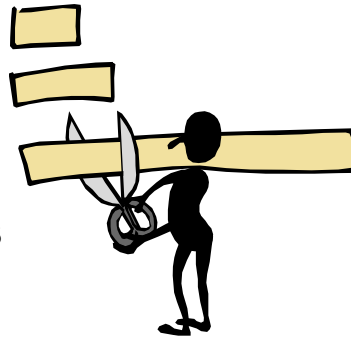
Change Questions



Changing Incrementally

While not always possible, this approach can:

- Minimize immediate costs
- Reduce perceived risk of expected benefits
- Provide ongoing data to support longer term goals

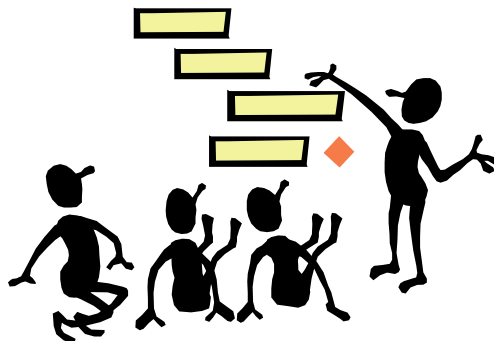


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Organizational Change Process

- Change model
- Unfreeze
- Transition
- Refreeze
- Measure



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Organizational Change Process

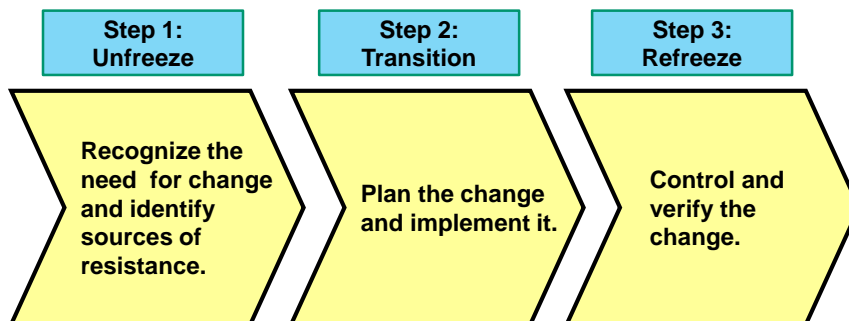
Kurt Lewin [1890 - 1947] was an American psychologist who contributed to group dynamics and action research. He is perhaps best known for developing force field analysis.



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Lewin's Change Model

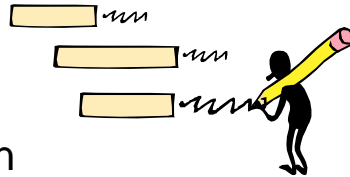


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Unfreeze


- Clarify measurable goals.
- Commit resources for change.
- Document the current “As-Is” process.
- Measure the status quo.
- Identify and involve stakeholders.
- Analyze the process.
- Develop and propose an improved “To-Be” process.



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Goals and Resources

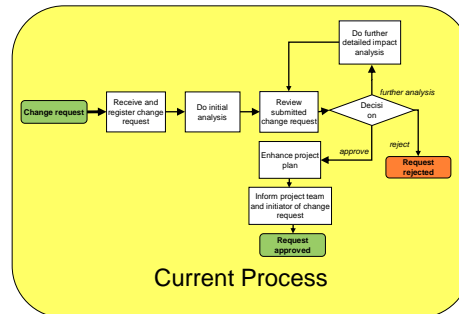
- Document the problems, opportunities, regulations, strategies, or other reasons for change.
- Provide specific, measurable criteria as part of your scope. (“Reduce costs by 10%,” or “Improve mean customer survey scores from “Satisfied” to “Very satisfied.”)”) 
- Set a specific timing deadline.
- Allocate funding, staffing, and other resources needed for the change project.

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Document and Measure the Current “As-Is” Process

- Flowchart the current “As-Is” process.
- Verify decisions, branches, loops, and cases with process users.
- Collect process data metrics to baseline the process.



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Identify and Involve Stakeholders

- Who sponsored the change effort?
- Who will be affected by the process?
- Who do those people report to?
- Who is responsible for the organizational environment for the process?
- Who should contribute to development of the new, updated process?
- Who controls or regulates the process?



Get commitment (or at least input) from all key stakeholders to support your project.

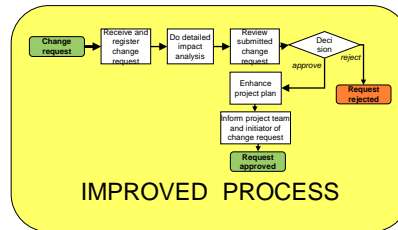
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Analyze and Develop an Improved “To-Be” Process.

Seek improvements:

- Review the metrics.
- Examine decisions for clarity and placement.
- Check process loops for timing and content.
- Examine task sequences for efficiency (including, potentially, the whole “as-is” process).
- Consider moving process steps to other or subsidiary processes.
- Increase flexibility with more cases or decisions.



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Transition

- Get sponsor and stakeholder support.
- Increase enablers and minimize obstacles.
- Prepare and communicate process documentation.
- Implement process changes and manage risks.

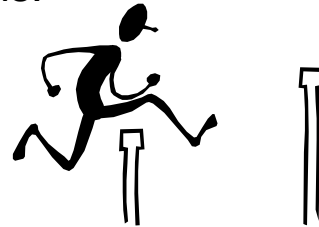


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Enablers and Obstacles

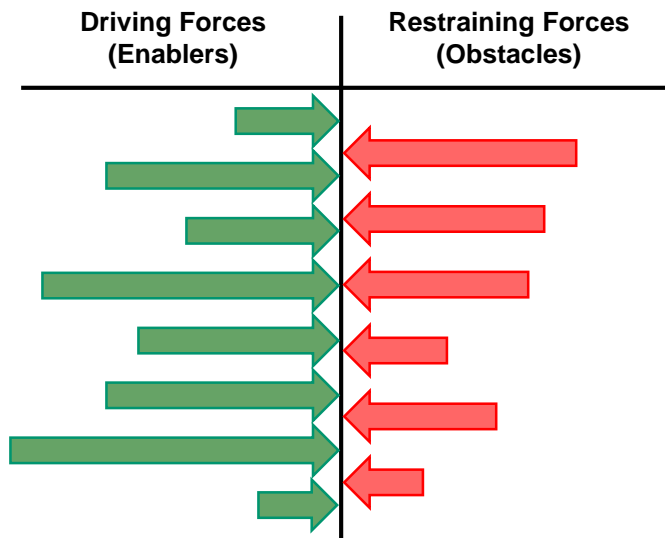
- Force field analysis (Lewin, 1935): A technique for developing tactics for managing change.
- Steps for force field analysis:
 - Consider planned changes.
 - Identify of resisting forces (obstacles).
 - List driving forces (enablers).
 - Reduce or eliminate resisting forces.
 - Enhance driving forces.



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Force Field Analysis



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Force Field Analysis

Driving Forces (Enablers)

- High-level sponsorship
- Good communication
- Ties to WIIFM
- Measurable benefits
- Pain reduction
- Incentives
- Improved approach (efficiency, effectiveness, etc.)
- Alignment to goals, strategies
- Involvement and ownership
- Recognition, praise
- Resources (\$, staff...)

Restraining Forces (Obstacles)

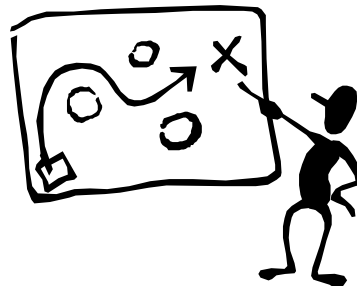
- Cost
- Effort and time
- Culture, Geography
- Change of familiar routine
- Risk of failure
- Fear of unknown
- Dislike of enforcement, compliance
- Resistance to new methods, technology
- Overhead, bureaucracy
- Lack of vision, motivation
- Low personal value
- Concern about job security

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Refreeze

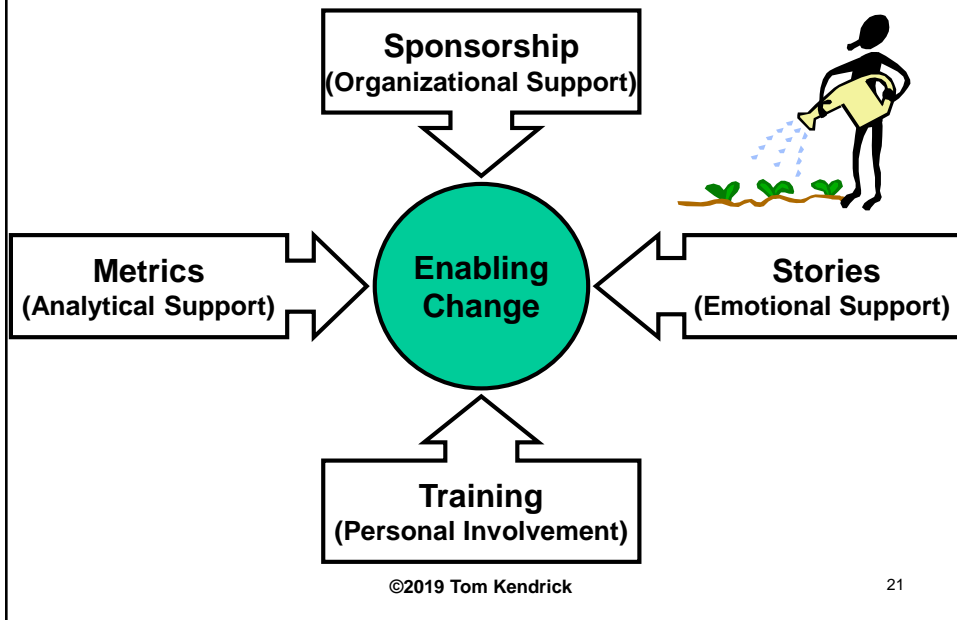
- Manage process changes
- Measure the new process
- Adjust new process (if necessary)
- Report results
- Celebrate



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Manage Process Changes



VUCA

Framework for identifying threats and opportunities:

- Volatility
- Uncertainty
- Complexity
- Ambiguity

Volatility

Unstable, rapidly changing environments require corresponding agility and readiness to respond. Volatility involves characteristics such as:

- Technical functionality
- Requirements
- Pricing and cost
- Predictability

Uncertainty

Managing uncertainty focuses on probability and risk management. Consider:

- Likelihood and impact of potential threats and problems (and opportunities)
- Estimates for worst case results in all financial, timing, and other quantitative forecasts
- Overall risks for the changes planned

Complexity

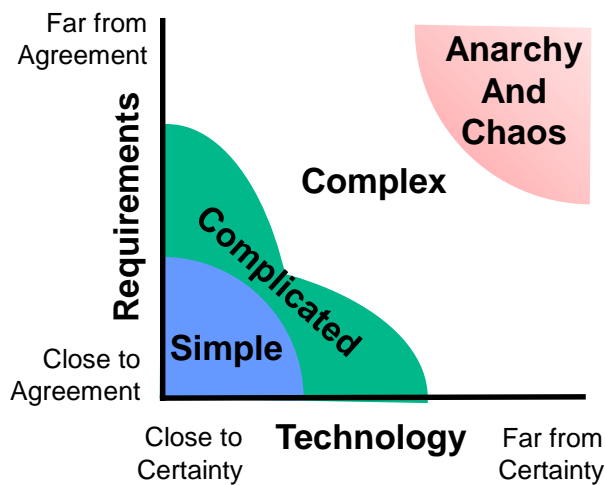
Complicated situations can be assessed and planned for (though not always easily). Complex environments resist analysis and planning. Complexity involves both:

- Needs and requirements
- Technology and solutions

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Complexity

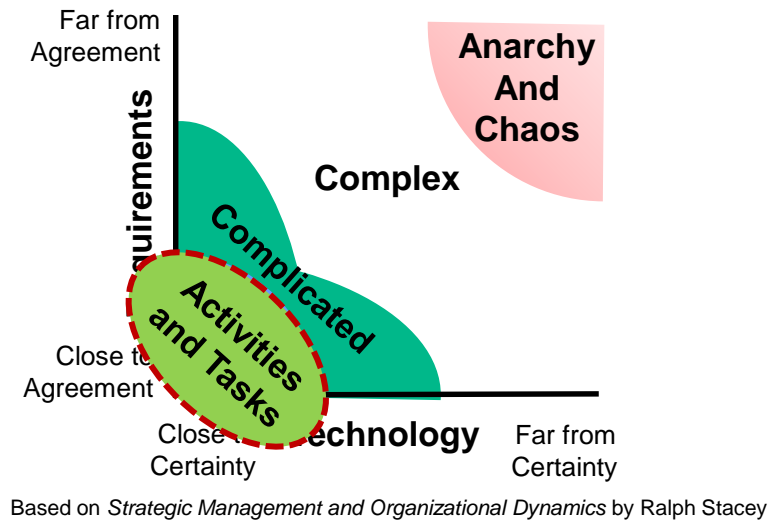


Based on *Strategic Management and Organizational Dynamics* by Ralph Stacey

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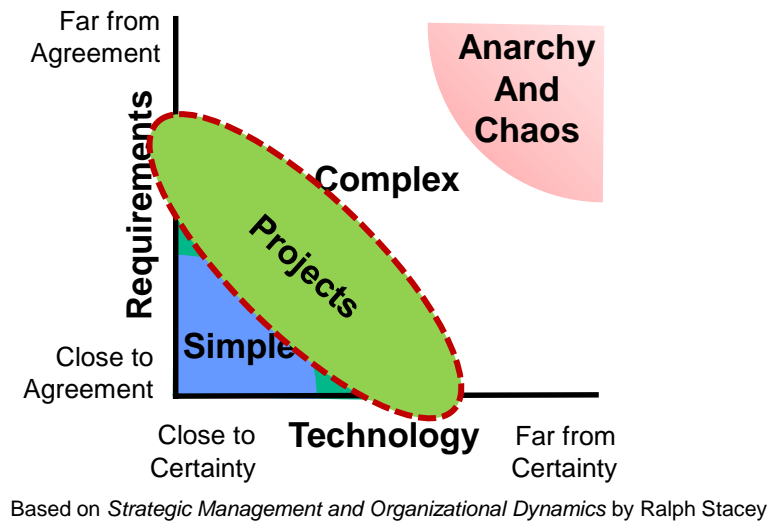
Complexity



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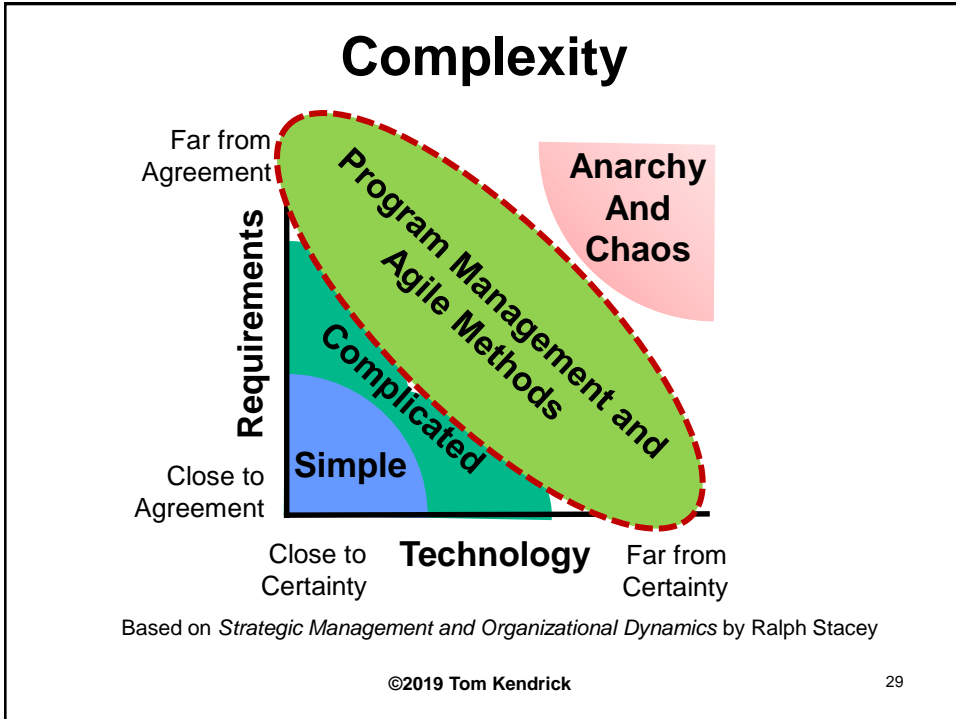
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Complexity



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Incremental Changes

Smaller, incremental changes can manage complexity:

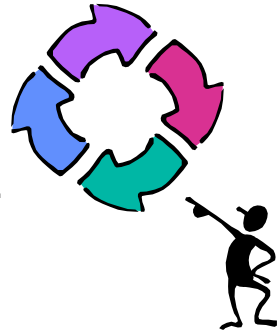
- Providing quantitative benefits quickly
- Delivering stakeholder results and generating feedback sooner
- Supplying success stories
- Simplifying change costs and training

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Managing Complexity

Managing complexity requires:

- Correcting course using “Plan-Do-Check-Act”
- Collecting process data and comparing metrics with baselines
- Analyzing all variances
- Adjusting “To-Be” process when necessary to improve it.
- Communicating results
- Celebrating success—Party!



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Ambiguity

Incomplete understanding (and V, U, and C) lead to ambiguity. Work to:

- Clearly define all terminology; avoid jargon and acronyms.
- Ask questions and use active listening to uncover inadequate understanding.
- Probe to uncover lack of agreement on objectives.
- Secure buy-in up front, before changes.

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Case Study: HP COMPASS Program

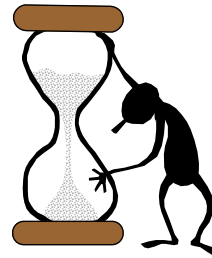


- IT program to consolidate management for all HP client “fee for service” projects using one worldwide system.
- Involved significant business process changes, including many new ones
- Implemented in “waves,” taking several years.
- Involved hundreds of people and stakeholders and a large program office staff.

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Program Timing



- Initial pilot was one European country.
- Production release waves were planned quarterly thereafter, with 3 to 6 additional countries per wave.
- More than 50 countries would be deployed in total.



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Initial “Pilot” Wave



- MS Project plan: ~1000 activities—all IT activities.
- Deployment was on time, with few significant technical problems.
- There was no conversion or system use in the initial months following pilot release.
- User changes were not part of planning and there had been little stakeholder buy-in.
- Although the IT and technical work was difficult, the business process changes were harder.

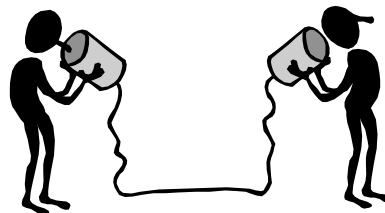
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Future Waves



- Regional planning started months before release.
- Planning conference calls involved country and regional staff involved (often involving program staff at 5 am or in the evening).
- Requirements were set and priorities reflected stakeholder input.
- Significant effort went into communications.

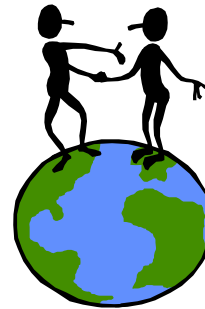


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Keys To Success



- Involvement of key stakeholders.
- Strong PM and other processes to manage the program.
- Program staff of generalists who could (and did) blur roles and provide backup.
- Ongoing investment in relationships and trust.
- Retrospective analysis at the end of every wave, with adjustments to improve processes and results.

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Cracking Complexity

By David Benjamin and David Komlos (Nicholas Brealey Publishing ©2019, ISBN 1473685648)

- Complexity brings impenetrable variety, and “Only variety destroys variety.” (Albert Einstein)

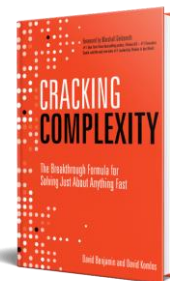
- **To deal with this, “SATDA:”**

- Sense
- Absorb
- Think
- Decide
- Act

Work to build from:

- Data
- Information
- Knowledge
- Understanding
- Wisdom

(Russell Ackoff)



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Cracking Complexity

The process has ten steps

Initiate (set things up):

1. **Acknowledge** the complexity.
2. **Construct** a good question.
3. **Target** variety of solvers.
4. **Localize** the solvers.
5. **Eliminate** the noise.

Think (figure it out):

6. **Agree** on agenda.
7. **Put** solvers on collision course.
8. **Advance** iteratively and emergently.
9. **Change** how people interact.

Act (Tactics, Plans, Strategies)

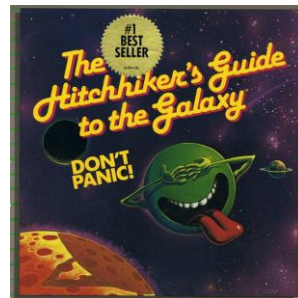
10. **Translate** insights into action.

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When You Are the Change Target

- Get involved—early.
- Do a Force Field analysis from your perspective.
 - List changes that may harm you and minimize them.
 - Identify positive aspects of change and work to enhance them.
- Don't panic.
- (As a last resort) Plan to isolate yourself from the change—or prepare to depart.

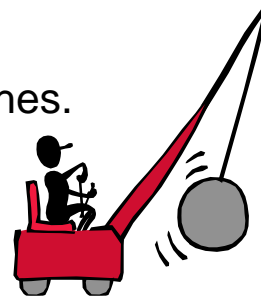


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Conclusion

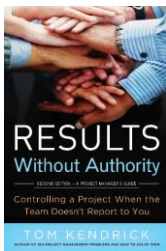
- Know why change is needed.
- Consider incremental approaches.
- Manage changes.
 - Document the “As-Is” process.
 - Get stakeholders involved and analyze the status quo.
 - Create an improved “To-Be” process.
 - Enhance enablers and minimize obstacles.
 - Document, measure, and implement.
- When change happens to you, get involved (or be ready to get out of the way).



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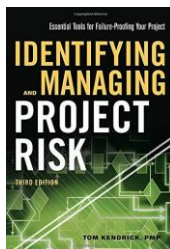
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Questions?



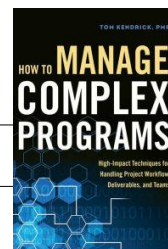
Results Without Authority Second Edition by Tom Kendrick. AMACOM, January 2012. ISBN 0814417817

The Project Management Tool Kit, Third Edition by Tom Kendrick AMACOM, December 2013. ISBN 0814433456



Identifying and Managing Project Risk: Essential Tools for Failure-Proofing Your Project, Third Edition by Tom Kendrick AMACOM, March 2015. ISBN 0814436080

How to Manage Complex Programs by Tom Kendrick. AMACOM, May 2016. ISBN 0814436927



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