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Lots of effort with little effect - because nothing REALLY changed

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Abstract

How to make change REALLY happen is the key question discussed in this paper. The guided lecture explains how to analyze the need for change on different levels, visualize the political force field of the project and develop a change master plan. Learn to deal with important soft issues like resistance, hindering beliefs and attitudes, rumours and hidden objectives.

Introduction

In some companies, quite a lot of effort is put into IT projects and reorganizational projects with only minor impact and little ROI. New tools are still used as the previous ones were before. Manual workarounds that should have been eliminated are still alive. When you take a closer look – nothing did REALLY change. That's a frustrating experience for highly motivated project managers.

The reasons are typically called “Resistance, Ignorance, Sabotage” of the users or managers in the organization. This argument is often heard, but is a fine excuse, because it leaves the responsibility for non-changing at the “other” side. Professional project managers should be able to also deal with the change aspects of their project and get back in the driving seat.

This guided lecture explains step by step how first to analyze the need for change on different levels in the organization. An extended stakeholder analysis visualizes the political force field of the project. Then active and passive opponents and supporters are identified. A change master plan finally describes in detail how the different stakeholders will be addressed throughout the project in order to achieve a sustainable change. Beside the hard facts, this change master plan includes actions to deal with most important soft issues like resistance, hindering beliefs and attitudes, rumours and hidden objectives.

Wasted Efforts

According to a study of Prof. Gröger at the University Würzburg, Germany (2004), more than 50% of the projects done in Germany are destroying value instead of generation value. Lots of effort is wasted in unnecessary projects, projects not supported by management, running under cover or done as alibis to pretend activity.

Many of them were due to insufficient change management. The concrete projects are manifold. Here are just a few examples to illustrate:

- There was a major project undertaken in a company to reorganize and restructure manufacturing facilities and processes in different countries. Two years after project completion, still nothing had been implemented. Concepts, developments and detailed designs were for the bin.
- A new mailing system was developed, which was according to the IT department much better than the existing one. It was ready for rollout, when first the users and later managers in the organisation started to

show resistance. After two additional years of re-design and rework, the new system could finally start its rollout.

- A new PM system was developed five years ago. Many detailed process descriptions, tools and templates had been developed and introduced to the organisation. Today, most parts still are not used or are outdated and forgotten.

What is surprising: From a narrow project management point of view, all three project examples were considered to be successfully completed at their due date. The projects delivered what was written in their project charters and scope statements. They were in time and budget at their completion date. But they failed to generate the expected benefit, for which they were undertaken.

Why did it happen? A closer look in the project's history shows some reasons for this kind of failure

- Major stakeholders were against the project right from the beginning. They were ignored, overruled or just kept outside the communication loops
- Implementation plans were thought about only at the end of the project, because it was always important to have the product first
- Users were not asked, because they were considered to be too ignorant to really contribute
- The project was under time pressure and wanted to be fast. There was never time for discussions
- There was a political fight between two departments, and one manager wanted to be the first to create facts as a competitive advantage over his management colleague

Whose fault is it? Of course, at the end, Senior Management has to pay the bill. They are responsible to make sure, that the project results are properly implemented and used in their organisation, in order to earn the expected benefit. If they don't succeed, it's their problem.

On the other hand, there is also a negative impact on the reputation of the project and the project manager: Couldn't he or she have foreseen this issue and better manage the project? Isn't there a responsibility that goes beyond the pure delivery of the final product? Many technical oriented project managers would deny this responsibility – and at the same time feel uncomfortable and unsure, because they don't know how to properly deal with political and soft aspects in a project.

Proper change management is what a professional project manager can contribute to avoid such project failures and to increase the success rate. In the following parts is a description of important steps and tools to give project managers a guidance to plan for and to manage the change aspects in their projects.

Extended Stakeholder Analysis

The first step is to extend the stakeholder analysis. The stakeholder analysis, as described in the PMBOK Guide (4th edition, chapter 10.1 “*Identify Stakeholders*”) is the process of “... *identifying all people or organizations impacted by the project, and documenting relevant information regarding their interests, involvement or impact on project success.*”

This can be further visualized in a graph, showing the project in relation to the different stakeholders. In such a graph, proximity or distance to the project provides additional information on the level of involvement which should be verified and can be adapted.

The graph can also show the surrounding force field of the project by highlighting relevant relations between different stakeholders. Are there some important coalitions or close relations? Are there some conflicts or fights going on between some people or groups within the organisation that may have an impact on the project? These external factors may be very relevant to know, in order to develop an adequate stakeholder management strategy.

A second tool is a simple table listing for all stakeholders what they must contribute to the project and what they will get in return. The comparison of these two aspects gives a clear indication on how they probably will act in the project and allows identifying potential supporters, indifferent people or opponents.

Stakeholders, with a high contribution and large gains can be counted on as active supporters. Those with large gains and low contribution, may be only passive supporters, but could be easily activated when needed.

The second group of stakeholders are the indifferent. They need to contribute, but have no specific advantage or disadvantage from the project. They may be more difficult to activate and to get their support and often have to be pushed somewhat to proceed.

The third group are these stakeholders who have a disadvantage or even a loss through the project – or who have such fears. They may become active or passive opponents. And they may do it either in the open or in a more discrete, hidden way. The goal should be to find ways how to deal with them and ideally transform them to supporters of the project. This seems to be difficult, but can often be achieved by active change management.

Personal Force Field in a Change

In a change project, it is important to understand the forces that affect people as individuals or as groups. Some of these forces are in favour of the change, others are against (Exhibit 1). If you are conscious about these forces, it is much easier to find means to manage the change.

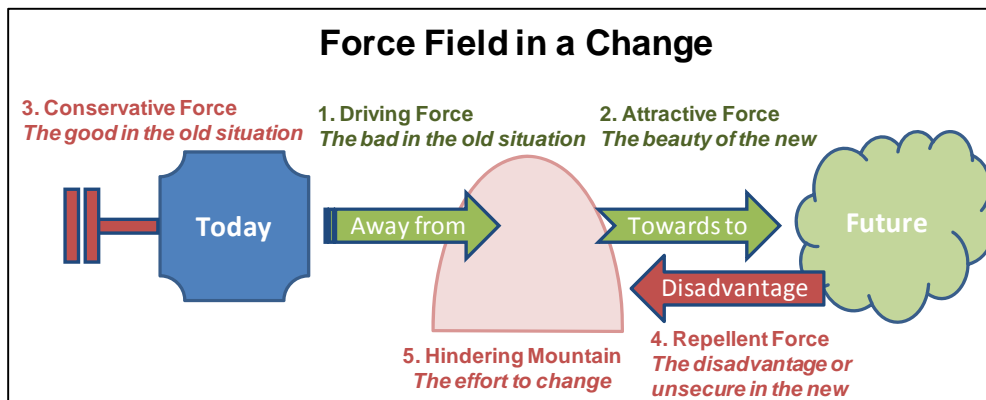


Exhibit 1 – Force Field in a change

Two types of forces are supporting the change:

- The disadvantage or suffering in the existing situation
- The attraction of the future: the expected benefit or gain

Unfortunately, three types of forces are against the change. They are often more difficult to discover

- The advantages of the existing situation and the benefits of the status quo.
- The disadvantages of the new situation and the uncertainty to really get the expected benefit
- The effort needed for the change itself, to learn something new, to change behaviour etc.

In order to properly deal with opponents in a project, it is especially important to understand their individual force field and perspective towards the expected change. A good understanding provides indications on how to communicate and deal with them. The balance of these five forces determines whether someone wants to change and how easily he will change – or how much energy he will bring up to oppose against the expected change.

Levels of Change

Change can be needed on several different levels. Gregory Bateson's model of human behaviour is a good tool to differentiate these levels and to identify appropriate means to address them (Exhibit 2).

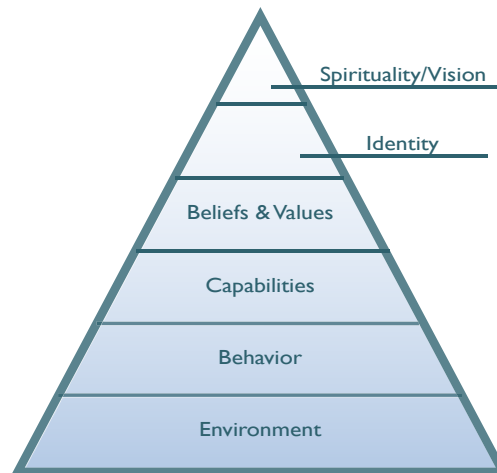


Exhibit 2 – Levels of Change

It is expressed in the form of a pyramid to symbolize the impact of the different levels: The lower levels are easier to change, but may have a low impact or can even be overruled by the higher levels. Whereas the higher levels are much more stable and thus harder to change. But if you succeed to change something on a higher level, many aspects on the lower levels may follow easily.

Environment This is the lowest level of change. The environment is the place we are in and the people we are with. At this level are working conditions or tools, i.e. new software programs. Normally, these environmental factors can be changed most easily. However, they often have the least impact. *A new project management tool, for example, is easily provided and installed. The impact on the improvement of the quality of the project management is, however, marginal – unless there are further changes at other levels at the same time.*

Behaviour This is the level of our specific actions: what we do. It is visible and measurable and can be observed from others. This level describes our behaviour in a special situation. *Concerning the PM-Tool the question is: How do people react when facing a complex and long-lasting task? How do they proceed? How do they plan? Do they plan at all? The answer to this question indicates whether someone will use the PM-Tool and if yes, how he uses it.*

Capabilities The next level describes the sets of skills, abilities and strategies we have at hand. What are the capabilities of the colleague, what is he able to do? What has he learned? *Concerning the PM-Tool the question is: “Does the respective person know how to develop a proper plan and what has to be planned?”*

Beliefs & Values One level higher is the level of what we believe is true and what is important to us. Which beliefs and values lead people at work? Those beliefs may be significant barriers for change, even if people would have the required tools and capabilities. *Somebody, for example, who believes that “it is not worth to plan – planning is a waste of time as everything changes so quickly”, will hardly be able to use the planning tool in a sensible way – even if he would have the capabilities and behaviour to do it.*

Identity

This is the way somebody sees himself or herself. Which tasks do belong to his job and which don't? What are his responsibilities and what aren't? Especially here it is important to see it through that person's eyes.

If, for example, an engineer believes– „My Project Manager is responsible for the planning. I will do the creative part, which cannot be planned” – then he is not motivated to use a planning tool. Why should he? He doesn't believe it's his job.

Spirituality / Vision

At this level the spiritual, religious or political aspects are located. The key questions are: Why are we on earth, in this company or in this job? What do I want to contribute? What makes sense to me, what provides satisfaction and encouraging feedback?

An individual who feels encouraged by pioneer work or last-minute interactions, who feels satisfied working in unknown and risky environments, and who likes to do something odd spontaneously, will hardly succeed in detailed planning. He will miss the little extra motivation on top and it would not fit with his desired way of living.

This model allows planning for transition actions on the different levels. Change projects that consider only the lower levels of the pyramid and just introduce a new tool or process with some training activities have a high risk to fail. Effective change projects use means to address changes on the higher levels, like facilitated workshops, large team events, individual talks, peer group events and many more.

Transition through Change

To plan for an effective change and to lead people in an organisation through this change, it is also important to understand the typical emotional aspects in a transformational process. For example, often it gets first a bit worse before it starts to get better. It is a very natural effect that should be anticipated and communicated accordingly. Especially opponents may use this moment to increase their influence and attack the project.

Understand the emotional responses and stages (Exhibit 3) that people go through to cope with change. First there is denial and several forms of resistance (anger, bargaining, and depression). Acceptance involves exploration followed by commitment. Accept the need to go through each stage in sequence. Some individuals go through stages faster than others; some may iterate through the stages several times.

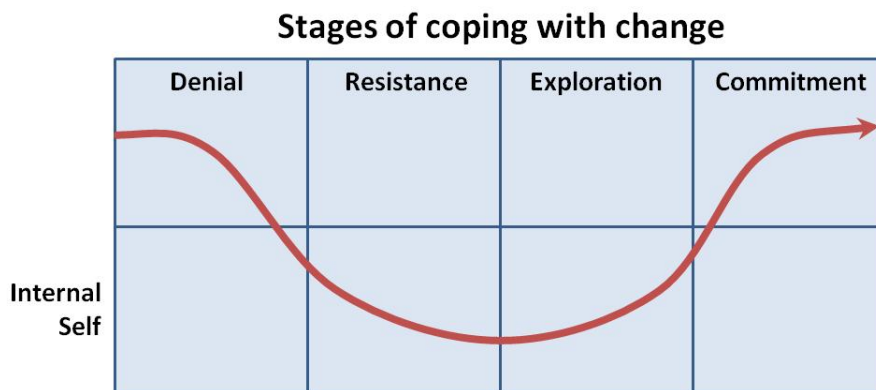


Exhibit 3 – Stages of coping with change

Lead the change process

Be a leader, not just one who surrenders to the change. Educate and motivate others to change the way they do business. Teach the desired behaviour. Lead by example. Recognize that the change is new to most people; give them time to adjust and catch up to where you are. Stress the need to be flexible. Build commitment incrementally by breaking down big problems into small, doable steps (small wins).

Invite people to express their reactions to the change. Bring resistance into the open to address causes, identify potential problems, and answer questions. Encourage people to ask what or how questions about the change, instead of why. Develop responses to their reactions. Ask the target to articulate perceived benefits from the change. Ask for ideas on how to make the change successful. Consider pilot tests to identify unanticipated results. Know that changes are a natural part of business dynamics.

Acknowledge positive changes in behaviour. Reflect responses to changes in performance appraisals. Thank people for their cooperation and support during the change process. Celebrate milestones towards achieving the change. Appeal to self esteem. Reinforce teamwork values.

Special issues and challenging situations

Resistance

Resistance may be seen on different levels and is a very natural reaction when imposed to a change. It is important to distinguish where it comes from. It can be part of the natural stages of coping with change. Here it helps to give more time to adapt, to be supporting and help the other to start exploring options and advantages of the new situation.

Resistance can also have a different reason, where people show it, because they don't agree to the new product or process and have clear factual concerns. In this case it is important to take these concerns serious, and to deal with them as you would do with any other requirement.

Lack of management support

If senior management doesn't support the project this should be always taken as a warning sign. It is an indicator that the management don't see enough benefit in the project to really care. Maybe they just lost the project out of their mind – and it would be important to keep them updated on a regular basis and to make them aware of their special and crucial role in the change process.

It might also be, that (part of) the senior management sees no benefit in the project anymore, but they are not keen enough to raise the hand and ask to stop the project. If you feel to be in such a situation, it could be a good idea that you ask this question to senior management. It is always better to kill a project early that lost its support and meaning than to try to push it through until a sad end. Maybe some circumstances in the environment did change, maybe the strategy or market changed. Sometime it also happened that raising this question brought back the missing energy from management.

Hidden agendas, unspoken objectives

In some cases, the resistance is not shown open, but expressed more in an indirect manner. People “forget” their tasks, show only very slow progress, have always an excuse for non-performing as expected or start the same discussion over and over again. That kind of behaviour should be confronted as soon as possible. Tell your observations and ask for explanations. Put yourself in the shoes of the other: What might be important to him or what might be his objectives. You may also share your assumptions with that person and observe the reaction.

It is important to bring the hidden agendas to the light, so that they can be discussed and resolved. In some cases, they just disappear when talked about, sometimes they are the starting point of important and valuable discussions and considerations.

Rumours and Gossips

In all change projects there is some rumour and gossip around. People who don't know facts try to find reasonable explanations for what they observe. The less they know and see, the more room they have for their own ideas and creativity, hopes and fears. Sometimes the gossip is exaggerated and far away from reality and can have a strong impact on your project.

Regular direct and open communication is the key to resolve this issue and to prevent unfounded rumour. Beside those aspects that are clear and decided, it is necessary to address the fears and hopes of the audience. Which means to talk also about what is under discussion, what are your objectives and also your concerns.

Wrap-up

Conscious dealing with the change aspect in any project is a significant key to success. Especially when people have to do their work in a different way after the project is over. To make stakeholders, sponsors and project managers aware of these change management tasks, it should be included in the project life cycle. This can be done by adding an "Anchoring Phase" after implementation to make sure, the change is really managed and that the benefit of the project is realised. Ideally, the change part should become part of the project scope in any project.

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