Building blocks of successful change

Tim Creasey
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www.change-management.com
Building blocks agenda

Individual

Project

Organization
Individual: Cornerstone of true change

What I had done in my daily work before the change?

How I make the change to my daily work?

What I will be doing in my daily work after the change?
The logic flow:

Projects in the organization...

...are launched in order to cause...

Improvements in performance...

...by making...

Changes to processes, systems, tools, job roles, and org structures...

...which ultimately require...

Individuals changing how they do their jobs
Another approach to the logic flow:

- Project ROI results from reaching a desired future state

- The desired future state comes to life through individual change

- Individual change is driven by effective change management

- Without individual change, there is no project ROI
Exercise

• As a table:

  – Come up with a story, example, analogy, skit, song, dance, etc

  – To illustrate the point that organizational change happens at the individual level, one person at a time
Prosci’s building blocks for individual change

The secret to successful change lies beyond the visible and busy activities that surround change. Successful change, at its core, is rooted in something much simpler:

How to facilitate change with one person.

Awareness
Desire
Knowledge
Ability
Reinforcement

From *ADKAR: a model for change* by Jeff Hiatt
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Role of ADKAR in organizational change

• Change management planning
• Diagnosing gaps
• Developing corrective actions

• *Defining successful change*

ADKAR brings a results orientation to managing the people side of change

What we are trying to achieve, not what we are doing
Success from an ADKAR perspective:

Change with one person

Or five people...

Or twenty people...

Or 1000 people...
Individual:
What can you do as an internal consultant?

Help bring the individual back to the forefront of change discussions and project work.
Project: Necessary pieces

Prosci’s PCT Model

Project Change Triangle

Leadership/Sponsorship

Projects meet objectives

Projects finish on time and on budget

Return on investment (ROI) realized

Project Management

Change Management
All elements are necessary:

Governance and direction

‘Technical’ solution

‘People’ solution
**Leadership / Sponsorship**

<table>
<thead>
<tr>
<th>1. The change has an executive sponsor.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. The executive sponsor has the necessary authority over the people, processes and systems to authorize and fund the change.</td>
</tr>
<tr>
<td>3. The executive sponsor is willing and able to build a sponsorship coalition for the change, and is able to manage resistance from other managers and supervisors.</td>
</tr>
<tr>
<td>4. The executive sponsor will actively and visibly participate with the project team throughout the entire project.</td>
</tr>
<tr>
<td>5. The executive sponsor will resolve issues and make decisions relating to the project schedule, scope and resources.</td>
</tr>
<tr>
<td>6. The executive sponsor can build awareness of the need for the change (why the change is happening) directly with employees.</td>
</tr>
<tr>
<td>7. The organization has a clearly defined vision and strategy.</td>
</tr>
<tr>
<td>8. This change is aligned with the strategy and vision for the organization.</td>
</tr>
<tr>
<td>9. Priorities have been set and communicated regarding this change and other competing initiatives.</td>
</tr>
<tr>
<td>10. The sponsor will visibly reinforce the change and celebrate successes with the team and the organization.</td>
</tr>
</tbody>
</table>

**Score: (total possible is 30)**
Project Management

1. The change is clearly defined including what the change will look like and who is impacted by the change.

2. The project has a clearly defined scope.

3. The project has specific objectives that define success.

4. Project milestones have been identified and a project schedule has been created.

5. A project manager has been assigned to manage the project resources and tasks.

6. A work breakdown structure has been completed and deliverables have been identified.

7. Resources for the project team have been identified and acquired based on the work breakdown structure.

8. Periodic meetings are conducted with the project team to track progress and resolve issues.

9. The executive sponsor is readily available to work on issues that impact dates, scope or resources.

10. The project plan has been integrated with the change management plan.

Score: (total possible is 30)
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change Management</strong></td>
<td></td>
</tr>
<tr>
<td><img src="image.png" alt="Diagram" /></td>
<td></td>
</tr>
<tr>
<td><strong>1.</strong> A structured change management approach is being applied to the project.</td>
<td></td>
</tr>
<tr>
<td><strong>2.</strong> An assessment of the change and its impact on the organization has been completed.</td>
<td></td>
</tr>
<tr>
<td><strong>3.</strong> An assessment of the organization's readiness for change has been completed.</td>
<td></td>
</tr>
<tr>
<td><strong>4.</strong> Anticipated areas of resistance have been identified and special tactics have been developed.</td>
<td></td>
</tr>
<tr>
<td><strong>5.</strong> A change management strategy including the necessary sponsorship model and change management team model has been created.</td>
<td></td>
</tr>
<tr>
<td><strong>6.</strong> Change management team members have been identified and trained.</td>
<td></td>
</tr>
<tr>
<td><strong>7.</strong> An assessment of the strength of the sponsorship coalition has been conducted.</td>
<td></td>
</tr>
<tr>
<td><strong>8.</strong> Change management plans including communications, sponsorship, coaching, training and resistance management have been created.</td>
<td></td>
</tr>
<tr>
<td><strong>9.</strong> Feedback processes have been established to gather information from employees to determine how effectively the change is being adopted.</td>
<td></td>
</tr>
<tr>
<td><strong>10.</strong> Resistance to change is managed effectively and change successes are celebrated, both in private and in public.</td>
<td></td>
</tr>
</tbody>
</table>

**Score:** (total possible is 30)
What does your PCT score mean?

Profile level analysis:
Plot your scores on the radar graph. The shape of your triangle provides insights into the health of the project.

Questions that scored a ‘1’:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Question level analysis:
Which questions scored a ‘1’ in the assessment. Each of the questions dictate specific actions that should be taken to improve the health of the project.
Exercise

• As a table:

− Discuss the symptoms of a missing corner in the PCT Model:

  • Leadership/Sponsorship

  • Project Management

  • Change Management
Deeper dive into each corner of the PCT Model

• But first: what goes in the middle of the PCT Model?

“To what end?”
Leadership / Sponsorship

- Governance and direction
- Project and organization
Leadership / Sponsorship

Actively and visibly participating throughout the project
Building coalitions of sponsorship with key business leaders and managing resistance where necessary
Communicating directly with employees

Percent of respondents reporting "ineffective" or "extremely ineffective"

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Leadership / Sponsorship

Sponsor effectiveness rating average

- Sponsor was very ineffective (average score <2)
- Sponsor was ineffective (average score between 2 and 3)
- Sponsor was effective (average score between 3 and 4)
- Sponsor was very effective (average score over 4)

Percent of respondents that met or exceeded project objectives

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Leadership / Sponsorship

From Prosci’s 2009 Best Practices in Change Management report

- More than adequate access - open door: 24%
- Inadequate access - difficult to get on calendar: 27%
- Little or no access throughout project: 10%
- Adequate access - scheduled meetings: 39%

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Leadership / Sponsorship

*From Prosci’s 2009 Best Practices in Change Management report*
Leadership / Sponsorship

• #1 on list of greatest contributors to success – for 6th straight study

• #1 on list of biggest obstacles to success – for 2nd straight study

* From Prosci’s 2009 Best Practices in Change Management report
• ‘Technical’ solution
  – What will actually be changing?
  – How will we design the change?
Project Management

• #7 on list of top contributors

• #6 on biggest obstacles

* From Prosci’s 2009 Best Practices in Change Management report
• ‘People’ solution:

  – How to mobilize employees around a change?
  – How to address resistance and push-back to the change?
Change Management

Meeting objectives

Overall effectiveness of change management program

- 16% Poor (n=111)
- 51% Fair (n=259)
- 80% Good (n=313)
- 95% Excellent (n=65)

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Change Management

Leadership/Sponsorship
- Projects meet objectives
- Projects finish on time and on budget
- Return on investment (ROI) realized

Project Management

On schedule

Percent of respondents that were on or ahead of schedule

Overall effectiveness of change management program

Poor (n=134) 16%
Fair (n=318) 32%
Good (n=394) 60%
Excellent (n=72) 71%

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Change Management

On budget

Overall effectiveness of change management program

Percent of respondents that were on or under budget

- Poor (n=116)
- Fair (n=299)
- Good (n=386)
- Excellent (n=71)

- 51%
- 61%
- 74%
- 82%

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Participants using a structured approach

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Perception of change management

- Critical and of the highest priority
- Necessary and important
- Just another activity to do
- Little value - nuisance with no value

**Change Management**

When did you start CM activities this time?

When would you start CM activities next time?

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Change Management

• What enabled an early start?
  – Senior leadership involvement
  – Acknowledgement by project manager
  – Previous experiences
  – Incorporation into project steps
  – Resource availability and assignment
  – Integrated into standard PM methodology

• Consequences of starting late?
  – Employees were more resistant, not engaged, confused, fearful, stressed
  – Change management was limited, rushed, reactionary
  – Time spent playing catch-up and backtracking
  – Solution revisited, revised, or reworked

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Change Management

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Change Management

- Team structure A: on the team
  - Increased project knowledge
  - Part of the team
  - Integrated responsibilities
  - Increased credibility
  - Ease of communication

- Team structure B: supporting the team
  - Access to leadership
  - Objectivity
  - Different scopes
  - Enterprise approach
  - Different skill sets
  - Status elevation

Corner interactions:

Integration: activities and resources
Project:
What can you do as an internal consultant?

Ensure that projects are positioned to succeed with each of the three critical elements in place.
Organization: Building change competency

- ECM takes change management from a tool that is applied to change initiatives to a competency and source of competitive advantage

  - Enterprise Change Management is defined as:
  
  - the systematic deployment of change management skills, tools and processes throughout an organization
ECM components

Process and tools
Common approach, constantly applied

Leadership competency

Strategic capability

From the CEO to front-line supervisors
ECM is a PROJECT and is a CHANGE

- ECM has a current, transition and future state

- Someone must manage the ‘technical’ side of the project (ECM) and the ‘people’ side of the change (again, ECM)
ECM as a change and a project

“People” components

– Building Awareness for the need for change management
– Creating Desire to participate and support change management
– Build Knowledge and Ability to fulfill roles in change management

“Technical” components

– What is the scope?
– Who is on the team?
– Who is funding, authorizing and sponsoring the project of ECM?
– What are the “nuts and bolts” of the solution (i.e. deploying change management)?
ECM Deployment Process

- Process for bringing intent and structure to change management deployment efforts
ECM Strategy Map

• Five different categories of **tactics** to build ECM in the organization
  – An effective deployment strategy has **balance**
  – Use the **right mix** of strategy elements based on your organization and your future state
### ECM Strategy Map assessment

A quick assessment of your current progress in the five ECM Strategy Map elements.

#### ECM Leadership assessment

<table>
<thead>
<tr>
<th>Sponsorship of ECM effort</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no sponsor for ECM</td>
<td>There is a sponsor, but not at right place in organization</td>
<td>There is a sponsor at right place, but not active and visible</td>
<td>There is a sponsor at right place, somewhat active and visible</td>
<td>The right sponsor is actively and visibly supporting ECM</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sponsor coalition for ECM</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no sponsor coalition</td>
<td>There is a loose sponsor coalition with limited representation</td>
<td>The sponsor coalition is somewhat active but does not represent org</td>
<td>There is an active and healthy sponsor coalition representing most of the org</td>
<td>There is an active and healthy sponsor coalition representing the entire org</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Role of leaders as sponsors of change</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders do not understand or fulfill role of sponsor</td>
<td>Some leaders understand and fulfill role, others do not</td>
<td>Most leaders understand role, some of them fulfill the role</td>
<td>All leaders understand role and most fulfill the role</td>
<td>Complete understanding and fulfillment of role by all leaders</td>
<td></td>
</tr>
</tbody>
</table>

#### ECM Project assessment

<table>
<thead>
<tr>
<th>System for attaching change management to projects</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No system exists</td>
<td>Change mgmt applied randomly</td>
<td>Loose system exists</td>
<td>Formal system exists</td>
<td>Formal system exists and utilized throughout org</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage of projects utilizing change management</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No projects applying change management</td>
<td>Less than 25% applying CM</td>
<td>Between 25% and 75% applying CM</td>
<td>Between 75% and 99% applying CM</td>
<td>All projects applying CM</td>
<td></td>
</tr>
</tbody>
</table>
### ECM Skill Assessment

#### Change Management Curriculum Development

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No curriculum</td>
<td>Curriculum for only one of the CM roles</td>
<td>Curriculum for several roles in CM</td>
<td>Curriculum for most roles in CM</td>
<td>Full curriculum for all roles in CM throughout org</td>
</tr>
</tbody>
</table>

#### Percentage of Senior Leaders Trained

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>None trained</td>
<td>Less than 25% trained</td>
<td>Between 25% and 75% trained</td>
<td>Between 75% and 99% trained</td>
<td>All senior leaders trained</td>
</tr>
</tbody>
</table>

#### Percentage of Managers and Supervisors Trained

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>None trained</td>
<td>Less than 25% trained</td>
<td>Between 25% and 75% trained</td>
<td>Between 75% and 99% trained</td>
<td>All managers and supervisors trained</td>
</tr>
</tbody>
</table>

#### Percentage of Project Managers Trained

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>None trained</td>
<td>Less than 25% trained</td>
<td>Between 25% and 75% trained</td>
<td>Between 75% and 99% trained</td>
<td>All project managers trained</td>
</tr>
</tbody>
</table>

#### Percentage of Change Management Resources Trained

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>None trained</td>
<td>Less than 25% trained</td>
<td>Between 25% and 75% trained</td>
<td>Between 75% and 99% trained</td>
<td>All CM resources trained</td>
</tr>
</tbody>
</table>

### ECM Structure Assessment

#### Change Management Structure Exists

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No structure exists</td>
<td>A de facto structure exists but is not adequate</td>
<td>A structure has been created but is not functioning</td>
<td>A structure exists but is not present in all parts of org</td>
<td>An effective structure is created and has presence throughout org</td>
</tr>
</tbody>
</table>

#### Change Management Function Role Defined

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No definition of function</td>
<td>Conceptually outlined but not formally defined</td>
<td>Function defined but no action taken yet</td>
<td>Function defined but not being completely fulfilled</td>
<td>Function fully defined and fulfilled by CM group</td>
</tr>
</tbody>
</table>
### ECM Process assessment

<table>
<thead>
<tr>
<th>Common change management process</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No processes being used</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Numerous processes being used across org</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard process selected but not applied</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard process selected and applied by most projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard process selected and used by all projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attachment to existing business processes</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM not attached to any other business processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discussions started on how to attach CM to existing processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CM attached to a few applicable business processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CM attached to most applicable business processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CM attached to all applicable business processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ECM Strategy Map assessment results

<table>
<thead>
<tr>
<th>Factor</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership</td>
<td>___ out of 15</td>
</tr>
<tr>
<td>Project</td>
<td>___ out of 10</td>
</tr>
<tr>
<td>Skill</td>
<td>___ out of 25</td>
</tr>
<tr>
<td>Structure</td>
<td>___ out of 10</td>
</tr>
<tr>
<td>Process</td>
<td>___ out of 10</td>
</tr>
</tbody>
</table>

Notes:

__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
Your ECM Strategy Map

• Inputs
  – Your future state
  – Your current state
  – Strategies that have worked in your org
  – Strategies that have not worked in your organization

• Output
  – Set of tactics that become activities in your ECM project plan

Where is your “default” emphasis?

Learn about Prosci’s ECM offerings at:
http://www.change-management.com/ecm.htm
Organization:
What can you do as an internal consultant?

Start working to build change management competencies throughout the organization.
Building blocks summary

A
D
K
A
R

Leadership/
Sponsorship

Projects meet objectives
Projects finish on time and on budget
Return on Investment (ROI) realized

Change
Management

Project
Management

Leadership
Process
Project
Structure
Skill
Building blocks: In reality

Individual
Project
Organization
Next steps for applying a structured methodology for change management

| Free weekly webinars | • One hour sessions focused on a particular change management topic  
• Recent sessions: Methodology overview, Seven principles of change management, Roles in change management, Applying ADKAR, Managing resistance, Connecting change management to business results, Enterprise Change Management  
www.change-management.com/webinars.htm |
| Membership distribution list | • Weekly tutorials and announcements  
• Become a member of the Change Management Learning Center for free at:  
www.change-management.com/register.htm |
| Certification program | • 3-day intensive program where you apply the tools and methodology to a real project you are supporting  
• Delivered at your location or in an open-enrollment format at venues across the US  
• Earn 2.4 CEUs, 24 PDUs and 24 HRCI credits  
www.change-management.com/training.htm |
• Change Management Pilot 2008 – Online tool with Prosci methodology and downloadable templates, assessments, presentations and eLearning  
www.change-management.com/bookstore.htm |
| Books & reports | • Best Practices in Change Management – 2007 benchmarking study with lessons learned and best practices from 426 participants  
• ADKAR: a model for change – definitive work on the ADKAR model and how it can be applied  
• Change management: the people side of change – foundation and introduction to applying structure to individual and organizational change  
www.change-management.com/bookstore.htm |
2009 best practices study

Sixth longitudinal study:
• 1998: 102 participants
• 2000: 152 participants
• 2003: 288 participants
• 2005: 411 participants
• 2007: 426 participants
• 2009: 575 participants

• 65 countries represented
• Various sized organizations
• Various industries
• Various types of projects
• One focus: managing the people side of change

Goal of benchmarking study:
– The objective of this study is to uncover lessons learned from practitioners and consultants so current change management teams can benefit from these experiences.
– Build on findings from previous five studies over the last decade.

Topics covered:
• Participant demographics
• Project profile
• Project results
• Sponsorship
• Managers and supervisors
• Team resources
• Methodology
• Resistance
• Integration with PM
• Change readiness
• Communication
• Training
• Role of consultants
• Enterprise Change Mgmt
• Change Portfolio Mgmt
• Change mgmt trends

Prosci’s complete 2009 Best Practices in Change Management report will be available in the summer of 2009. Call 970-203-9332 or email changemanagement@prosci.com for more information.
Notes: