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Organizational Change Management

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**Mason Holloway
Daniel Carusi**



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**by Mason Holloway and
Daniel Carusi**

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Introduction

In today's fast-paced and competitive business environment, change is a constant. One of your key competitive advantages is your ability to effectively deal with that change — integrating people, processes, and technology quickly and seamlessly. There are many approaches to managing change, along with a wide range of understanding, misunderstanding, and capability. One thing is abundantly clear, though: The change will not manage itself. If you hope to realize the full value and potential of large-scale organizational change, you must adopt a clear, structured, measurable approach.

About This Book

For long-term success, it's necessary and usually beneficial to adapt to market conditions or changes within the organization, but these changes introduce significant disruption. This book introduces basic concepts and approaches to managing organizational change. People must engage in new behaviors, learn new processes or new technologies, and often change the very nature of the job role they've been internalizing for months and even years.



No matter what type and scale of change you introduce in your organization, you'll need a deliberate, systematic approach to managing these impacts in order to realize your expected benefit. It's simply not sufficient to distribute the new organizational chart, publish the new process maps, or complete a sound functional implementation of a new technology. The people in your organization have to adapt. They have to choose to do things differently. And you need an insurance policy, a leg up, or an old-fashioned ace (or two) in the hole. Implementing an effective OCM, or *organizational change management*, approach can give you that winning hand. It's like starting the game with a full house: Your odds of winning the big pot go way up!

As you flip through the pages of this book, exploring the basic elements of effective change management and the importance

of the different components, you'll learn how your organization can introduce these strategies across a wide range of initiatives. Whatever the project or organizational disruption is, and regardless of whether you're an executive, operations manager, program manager, or project manager, this book will give you practical insights and proven change principles to help ensure your success.

This book was written by subject matter experts noted in their field; they've authored a variety of works in the areas of organizational change and human performance in the workplace. They've also led and participated in the application of these principles across a wide range of industries and projects. The authors are currently employed by Deltek, and this book includes some information about Deltek-specific products, such as the FAST Methodology for change. The writers worked with *For Dummies* editors to turn this into the book that's in your hands now.

How This Book Is Organized

This book explores how to help change take root successfully. It's not a guide to implementing a new process or technology, but rather to persuading the organization to embrace the change and take ownership in its success.

If you're into organizational change management, there's a good chance you're a nonlinear thinker. This book ought to work out just fine for you, then, because you don't really have to start at the beginning and read through to the end, in order, studying every page. It's perfectly reasonable to skip around a bit, picking the chapter that catches your fancy right now, and returning to an earlier chapter some other time.

✓ **Chapter 1: What Is OCM and Why Should You Care?**

Organizations are collections of individuals, and you can't effectively bring about change without bringing along the hearts and minds of those individual people.

✓ **Chapter 2: Change Is a Choice:** You can order employees to change, and in most cases they will. But it'll go a whole lot better if they change by choice — your job is to help them make the right choice.

- ✔ **Chapter 3: The Five Elements of Effective Change:** You'll need a common vision, a solid plan, sufficient resources, lots of support, and a way to measure how well your initiative is working.
- ✔ **Chapter 4: The FAST Approach to Change:** Here's a great systematic way to approach organizational change, by envisioning the future, arming yourself for the journey, building the support you need, and making the transition from change to the new normal.
- ✔ **Chapter 5: Integrating Change and Implementation:** It's easy to feel like organizational change management is in competition with the project implementation effort, but life will be a lot easier if everyone is on the same page.
- ✔ **Chapter 6: What about Culture?** A key to making change happen effectively is understanding the culture into which you're introducing the change.
- ✔ **Chapter 7: Top Ten Keys to OCM Success:** Some parting pointers for getting leadership onboard, communicating, learning from resistance, and measuring success.

Foolish Assumptions

In preparing this book, we're assuming a few things about you, the reader:

- ✔ You've been asked to be part of making change happen effectively at your organization.
- ✔ You've got a gut feeling that you can't just spring change on an unsuspecting audience and expect things to go swimmingly.
- ✔ You'd really appreciate some quick advice to get pointed in the right direction, because your schedule is already packed with change.

Icons Used in This Book

As with all *For Dummies* books, this one uses icons to alert you to specific types of information (and they look kind of pretty on the page, don't you think?).



Read the paragraph next to this icon to find a particularly helpful pointer for managing organizational change.



Though we would hope this whole book will be a memorable read, it's especially important to remember the concept addressed in the text that this icon identifies.



Some people thrive on technical details; others would rather leave those to someone else. Skip over the paragraphs marked by this icon if you wish (though you'll deprive yourself of some in-depth info!).



On the other hand, *don't* skip anything marked by this icon. It points out critical information that's vital to your successful change management.

Beyond the Book

For more information on the topic from Deltek's perspective, go to www.deltek.com.

Chapter 1

What Is OCM and Why Should You Care?

In This Chapter

- ▶ Understanding organizations
 - ▶ Learning the origin of OCM
 - ▶ Bringing OCM up to date
 - ▶ Caring about OCM
-

Organizational change management, also known as OCM, is a structured set of strategies and activities designed to move a group of people from a current state, through a transitional state, and into a desired future state. Seems simple enough, but adapting to change doesn't seem to come naturally to humans. This chapter explains that organizations don't change — people do. And it explores the past and present of OCM, outlining why it matters.

Organizations Are Alive

Think or speak about an organization and you're likely to imagine it as some sort of abstract entity: a company, a division, a business unit. This is true, but it's not the whole truth. And when you're trying to achieve results through that organization, this abstract view isn't at all helpful.

A collection of living things



All organizations, no matter what kind, share an important feature: They're collections of people brought together to pursue a common interest. This is true of sports teams, charities, nonprofits, and businesses alike. Where there is an organization, there are people. In fact, as the most successful leaders understand, organizations *are* their people.

And yet, as much sense as this makes, as much as organizational leaders may agree with this basic concept, when decisions are made, structures are changed, and systems implemented, this idea of the human face of an organization is often the last thing considered. Forgetting this simple fact sets up many of the challenges, struggles, and failures that an organization experiences when trying to chart a new direction.

Living things have minds



One thing you can say about living things — humans and other animals, at least — is that they have minds of their own. That's important to realize when you think of an organization as a collection of individual people. An organization may have a unifying goal or purpose, but each individual in that organization is constantly weighing the alignment of his or her own purpose and loyalties against the organization's current status and future direction. All of your organization's people include their own experiences, fears, and desires in the mix. When all of these factors align, people choose to participate; when they don't, people tend to opt out.

As if that's not complicated enough, the people within organizations can be influenced by "tribal affiliations" within departments, units, and divisions, as well as by personal friendships and allegiances, and sometimes by plain old stubbornness. All can contribute to an individual's decision to be part of the organization and the change — or not.



A person might choose to opt out for a lot of reasons. Now, take this unspecified but large number of reasons and multiply it by the number of people in your organization, and you begin to have a sense of the challenges you're facing. It may seem that before you even announce your new initiative, program, or system, the deck is already stacked against you.

Living things have choices

Therein lies the challenge. You can tell an organization what to do — set a policy, change a process, design a new organizational structure — and the abstract entity you know as an organization has nothing to say about the matter. The people who make up the organization, however, may have plenty to say. They may resist, or grudgingly decide to comply, but what you really need is an active choice to participate.

The heart of change is, in fact, driven by the choices that people make. It's your challenge to ensure that the choices they see in front of them, and the choices they ultimately select, are the ones you need for success.

A Brief History of OCM



OCM describes an approach to managing large-scale or enterprisewide organizational changes in a way that minimizes disruption to operations and productivity, while maximizing the potential positive results of the change you're introducing.

OCM draws upon a range of well-established principles and disciplines dating back to the early 1900s, and it relies on a consistent core set of activities to ensure positive results.

The typical components of OCM include:

- ✓ Assessment of readiness for change
- ✓ Shared vision
- ✓ Communication planning and execution
- ✓ Impact assessment and transition planning
- ✓ Support of new behavior
- ✓ Measurement and feedback of results



Although there are many distinct methodologies that address organizational change, they all include some combination of these components. You can make it even simpler

when you realize that it all boils down to managing three key elements:

- ✓ The head (understanding the change)
- ✓ The heart (desire for the change)
- ✓ The hands (specific actions required for the change)

The Origins of OCM

OCM can be traced back to the Industrial Revolution and the early 1900s work of Frederick Taylor relating to what he labeled *scientific management*. His work was controversial in some circles because it suggested a clear differentiation in the managing and working classes, and it introduced the notion of “feeling animals” to the labor force. Taylor’s work ultimately gave rise to such disciplines as Six Sigma and business process engineering.

As a more distinct discipline, change management took hold in the 1980s, a period of rapid evolution in the workplace. Technology was driving change on a massive scale, and the manufacturing economy was rapidly giving way to the knowledge and service economies that are so prevalent today. Companies needed a reliable system to help navigate that evolution.

Leading consulting firms drew on work from experts (such as Taylor, Deming, Weisbord, Argyris, and others) with Fortune 50 companies. These large organizations were well positioned as early adopters, because small improvements when

implemented across such large organizations could result in significant savings and return on investment.

This early work led to the development of models such as John Kotter’s Eight Step Process for Leading Change and GE’s Change Acceleration Process (CAP). These approaches to change management directed much of their focus on leadership’s role in and effect on change.

During the 1990s, pressure to change and adopt new approaches continued to accelerate, with increasing impact and an expanded focus on such areas as HR and technology. Organizations began to recognize the benefits of a structured change approach, from seeing the positive experiences of change management, and to be honest, witnessing the disasters of unstructured change.

By 2000, change management had become widely accepted as an important business tool and a driver of value. Over the course of the decade, research showed that project teams more than doubled their use of change management to over 70 percent.

Where Is OCM Today?

These days, at least as a concept and a value proposition, change management has a place at the table and is generally considered a necessary and important part of most large-scale initiatives. Note the phrase “at least as a concept.” Although it’s well accepted that change management is valuable, and there are all kinds of horror stories of organizations that ignored the need for it, there’s still often not a good understanding of what change management actually looks like and what it actually does.



The problem is, there are more than 300 consulting firms now claiming to provide some variety of change management, along with an army of self-anointed or self-appointed internal change specialists. You’ll find that the change management projects that are structured, managed, and executed poorly may outnumber those that are done well. It’s important to understand not only the experience and past performance of your change lead, but also the specific approach the consultant is able to bring to your project.

As the discipline of change management has evolved, there’s been increasing specialization and customization. Although change management at first was one big bucket, today there are various segmentations covering a broad range of projects and situations, including:

- ✓ Change leadership
- ✓ Individual change
- ✓ Traditional change management (people only)
- ✓ Organizational change management (enterprise)
- ✓ OCM for technology implementation

Each “flavor” of change management has its own distinct focus and strength. It’s important, therefore, to bring the right specialization to bear. For example, deploying only change leadership for an enterprise system implementation would fall far short of meeting the requirements of the project. On the other hand, OCM would be overkill for managing change at the individual level.

Why Should Anyone Care About OCM?

It's an important question, one that you should be prepared to answer. If you're like a lot of project managers, project sponsors, program managers, and project leads, your CIO, CFO, or key stakeholder is bound to ask, "Why should I care about this OCM stuff?"



The truth is simple: You and all of your organization's leaders should care because the risk of failure is significantly higher if you don't consider OCM. What it costs to execute a successful OCM initiative is insignificant when compared to the costs of a failed project implementation. You can experience long delays and huge cost overruns even if a project goes only slightly off the rails because of misalignment, user resistance, or failure to address impacts.

So the real question should be, "Why in the world would you *not* care?!"

The numbers speak for themselves. As Figure 1-1 indicates, a passive approach to change can only make a bad situation worse. Most of your people will wait and see how your project goes before deciding whether to participate.

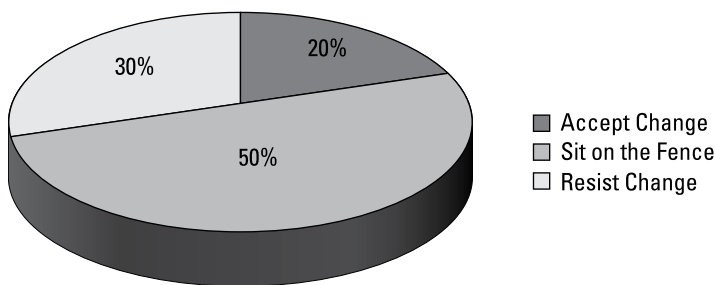


Figure 1-1: Initial acceptance of change.



On the other hand, companies that take a positive approach to change realize significant benefit. These companies:

- ✓ Achieve 29 percent higher revenue
- ✓ Are 50 percent more likely to have above-average customer loyalty
- ✓ Are 44 percent more likely to turn above-average profits
- ✓ Enjoy workgroups that are 50 percent more productive and 33 percent more profitable
- ✓ Have retention rates that are 44 percent higher

The bottom line is that the change won't happen by itself, or as the authors sometimes say, "automagically." Change is a predictable process with identifiable stages that people go through. This process can't be forced or mandated — or ignored. Change requires deliberate attention and management to achieve the desired result.

Understanding how people are affected by change

If you closely examine what is happening as you institute change, you can better understand what forces are acting on people and why you should care about managing the effects.

In the 1960s, Elizabeth Kübler-Ross developed a model to help explain the grieving process — the emotional reactions people encounter when grieving (see Figure 1-2). It was not long before change management practitioners saw the similarities between grieving a personal loss and people grieving when their work situation changes significantly.



Kübler-Ross's model is now widely used to describe and understand reactions to significant change. The emotional changes she mapped out are universal — everyone will go through them, even if they support the change. The only difference from person to person is the speed of transition from one stage to the next.

Clearly, powerful emotions come into play during organizational change, and as much as people would like to describe themselves as seasoned, mature, or professional in work settings, in the end and at the heart of it, they're still people. And people have emotions that can't be ignored.

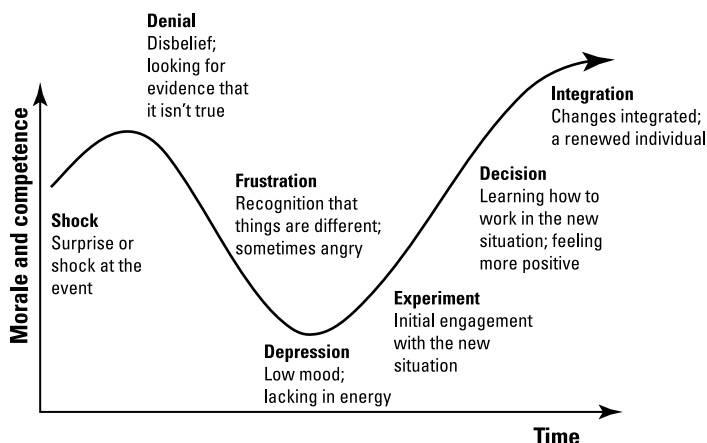


Figure 1-2: The stages of grief adapted to organizational changes.

Weathering the storm (of emotions)

In this section, we give you an overview of how a large organizational change emotionally impacts workers as they work through the different stages of change.

You announce your new project and the immediately reaction is shock. People ask questions: “Why wasn’t I told sooner?” “What will this mean to my job?” “How will this affect my friends?”

Almost everyone in your organization suddenly stops focusing on the business of business and starts focusing on trying to figure out how and why this initiative is happening. Productivity falls off the cliff!

And that's just the beginning of the process. Because the next emotion is denial. After all, the easiest way to not worry about something is to pretend it doesn't exist. It works for the ostrich, right? So your people go back to their work, happy to pretend that nothing is happening that will affect them. They will wait it out. Productivity bounces back slightly.

But the initiative has to move forward, so you begin tapping people to participate. This is frustrating to them, because denial was getting comfortable. Being forced to face the impending reality is a bitter pill. Your people become angry, they begin to resist in a whole host of ways, and what's worse, they begin to write the story of what this change *really* means.

Fortunately for you, this organizational frustration and anger can't last. Like a bad storm, it begins to blow itself out. Then the calm sets in. The calm of depression. As your people realize that their anger, frustration, and resistance didn't stop the momentum of the change, they begin to see it as inevitable. They become, in a sense, "resigned to their fate."

This is a period of change where progress stalls; productivity, morale, and engagement are at all-time lows. The initiative looks permanently stalled. It is what sailors, when sitting in the windless part of the sea call the *doldrums*.

Slowly however, people begin to move. They test the waters, they try a little bit of the initiative on for size. They begin to experiment. Their experimentation continues as they realize that the monster they had created in their minds isn't real, that the horror story they had written about the initiative is pure fiction.

The experimentation leads them to decisions. You hope that they decide, "I can live with this, this is not so bad; in fact, there are some pretty good parts to this." Productivity and morale begin to rebound as people accept that the new normal is really going to be okay.

And finally, people reach a place where they can look back and laugh. They have adopted the initiative fully and it is now part of what they see as, "the way we do things here." Productivity has rebounded and hopefully surpassed preinitiative levels.

So this is the journey that you can expect. Why should anyone care about managing change? Because this journey can take a number of forms — left to unfold on its own it could be a long and painful road filled with lost revenue, employee turnover, failed expectations, and diminished return on investment.



One of your tasks during this time is to work out ways to support your employees and encourage them to move forward in healthy ways. Don't be affronted by their emotional reactions to change. Understanding that change affects everyone (maybe even you) can help make the transition easier and more productive.

Chapter 2

Change Is a Choice

In This Chapter

- ▶ Managing choice to manage change
- ▶ Framing the issues
- ▶ Changing the frame
- ▶ Making the choice to change

On the most basic level, change is a choice. Many leaders don't see it that way, and declare that employees must follow the system, as doing so is their job. Yes, that assertion is technically correct, but these leaders fundamentally miss the heart of the matter: Each person is free to choose how he or she uses the system. This chapter details how team members view and frame the choices they face, and explains why it's critical for them to choose to be onboard with change.

Managing Change Is Managing Choice

Every day, whether you think much about it or not, you make dozens and dozens of choices. They begin when the alarm rings in the morning and end with the decision to ignore that one last thought as you drift off to sleep.

And when you're at work, you choose how you'll interact with your work world. The choices are many, and there are just as many factors you weigh at the intellectual and emotional levels when you make those choices. On a broad level, you may choose how much effort you'll put forth in a given day or week, how much new work you'll take on, and the kind of

activity in which you'll engage. At a more granular level, your choices may include who you'll talk to, what specific task you'll work on, and even what you will or will not do with a particular system or process.



To effectively manage an organizational change, it's critical to understand and accept that people aren't machines — they have choices and free will. Because people are free to choose from a broad range of possibilities, your project will only succeed if the choices you *need* them to make turn out to be the ones they *want* to make.



Many organizations operate from a top-down or rigid hierarchical approach. The prevalent leadership mindset in this type of organization is often referred to as a “power-over” approach — the leader's perspective is, “I have power over you, therefore you must do as I say.” If this works, what's the problem? The risk is that people may *comply* with what they are ordered to do, but they may (and most likely will) find ways to *resist* and even *sabotage* the efforts if they don't fully buy in as co-owner of the choice. Compliance is one thing, but acceptance is entirely different. Don't mistake the two.

Choices Are about Frames

Think about the choices that you and the people in your organization have. It's important to recognize that you typically see or are aware of only a subset of all the possible choices you have. This is a necessary reality. If you constantly had to choose between seemingly endless possible paths, you'd either go crazy or go nowhere at all.

People have developed the ability to hold a subset of the total possible choices apart from the rest, essentially putting them in a frame of their own. Think of this like framing the picture you want to take in the screen of your smartphone. The entire scene around you still exists, but the subject of your attention is limited to that small area of focus.

Frames are really nothing more than a set of criteria that form a filter. They eliminate the choices that don't fit in your current worldview or mindset so that you have a manageable set, as illustrated in Figure 2-1. But make no mistake; the filters that make up frames are powerful. If something is outside

your current frame, it is difficult to see, harder to understand, and nearly impossible to accept. Things outside the frame may as well be unicorns or fairy tales as far as your ability to rationalize them is concerned.

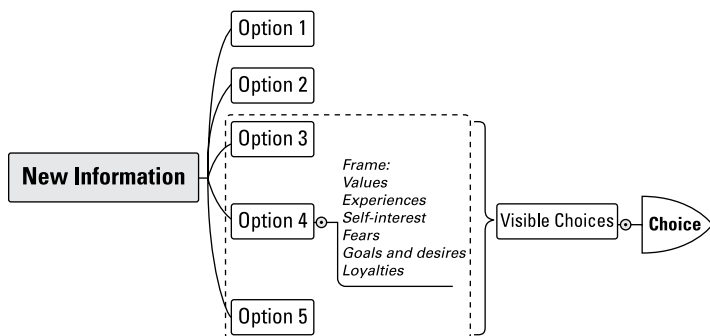


Figure 2-1: Options in the frame.



Consider what frames are at play as you execute change initiatives — but also remember that your own frames might be limiting your ability to see the whole picture!



To begin to understand the frames that are dominant in your workforce, examine the clues in the language people use. For example, if the language of your team is rich with such phrases as “I will,” “I did,” “I think,” and “I want,” that suggests a strong self-interest frame. And if self-interest is driving the frame, that means any choices that involve self-sacrifice for a greater good are probably going to fall outside the frame.

Changing the Frame

Chances are there are some powerful frames already in place, and they threaten to work against you and the success of your project. Some of these frames are shaped by events of the past. After all, no organization is perfect — things are tried and abandoned, leadership changes bring different approaches and philosophies, and market and economic changes force difficult decisions.

Each of these experiences has likely left its mark on the people of your organization. They’re holding some frames

regarding the organization. For example, does leadership follow through on promises? Do leaders care about them? Is this new change just another initiative in a long line of abandoned flavors of the day?

In order to succeed, you must change the frame, but to do that you must first understand what frames are in place organizationally. You'll typically do this through an organizational readiness assessment. The results will determine where your organizational frames are, and will help you make decisions regarding how to reach through the messages of those frames, and expand or add to them.



Although the logic of the project or initiative may be flawless, with a sound business case and great potential for significant value to the organization, logic is only part of what forms peoples' frames. The most powerful drivers for their choices are such emotions as fear and desire as well as experience — consider the sentiment of “I touched that once and got burned, so I will not do that again.”



As you gain a sense of the frames at play in your organization and prepare to reach through and beyond them, make sure you're including every approach. When determining your messaging, ask yourself if your message reaches the head (the reasoning, logical pathway), the heart (the passionate, emotional pathway), or the hands (the determinant or active pathway). To be effective, you'll have to address all three.



Much research has focused on what motivates people to make choices and take action (or not). One of the most widely regarded and foundational works on this topic was proposed by Abraham Maslow in his 1943 paper “A Theory of Human Motivation” in *Psychological Review*.

In this work, Maslow sets forth a model for understanding the path of human needs that underpin (and form the most basic of frames for) development, motivation, and choice. Figure 2-2 illustrates his model. Keep these needs in mind as you consider the frames and choices of the people in your organization.

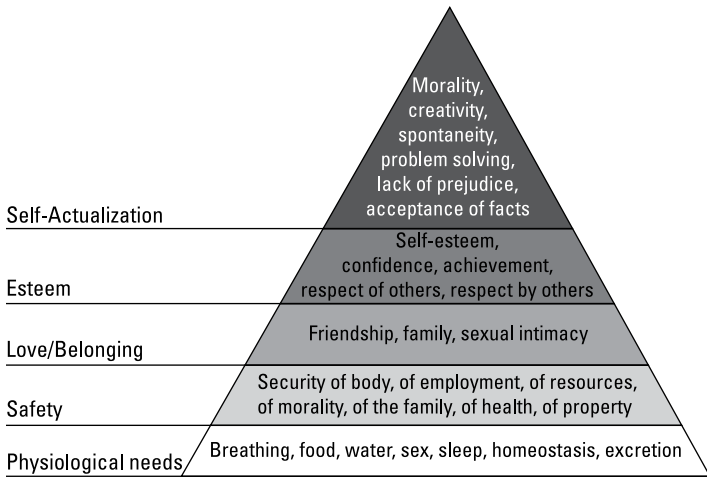


Figure 2-2: Maslow's hierarchy of needs.

Choosing to Change

It should be clear by now that change is complicated. It's broad and obvious (such as, "We have a new system," or "We're adopting a new reporting structure," or "We've acquired a new company"). At the same time, it's also granular and personal ("How will my job change?" or "Is this something I want to be part of?" or "I am excited about new opportunities.").



It really boils down to one simple fact — in order for change to be effective, people must *choose* to change. They can't be forced. They can't be threatened. A heavy-handed approach to change will result in compliance at best, while at worst it can lead to disengagement, resistance, and at times subversion of the project or initiative.

The central mission of OCM, therefore, is to understand where the organization is in terms of experience, beliefs, and frames, and then to create the vision, plan, activities, and inclusion necessary so that people choose to participate. You must help them see the full range of choices, and then help them understand why selecting the choice that benefits your project is the best alternative.



Helping people frame the choices isn't simply a nice exercise to make people feel good. The research is unambiguous, revealing benefits to organizations that do this well and take a proactive approach.

Just one example of this research is a global survey by Right Management involving 28,800 employees responding to questions on how well their organization manages change. The results shown in Figure 2-3 take a visual look at responses demonstrating that the best-performing companies were perceived as being much better at handling change.

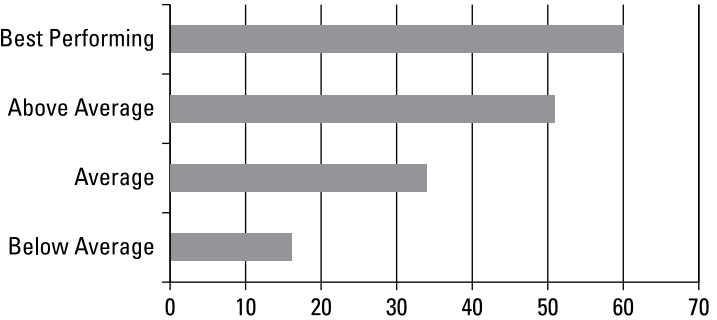


Figure 2-3: Change management improves performance.

Chapter 3

The Five Elements of Effective Change

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In This Chapter

- ▶ Agreeing upon the vision
 - ▶ Building the plan
 - ▶ Gathering the resources
 - ▶ Gaining support
 - ▶ Measuring the results
-

Some people say that tackling a large-scale change initiative can feel like boiling the ocean. Others will add that the way to boil the ocean is one pot at a time. The pots you'll rely upon for OCM are vision, plan, resources, support, and measurement. This chapter outlines why it's critical to have a shared vision, a solid OCM plan, plenty of resources to succeed, support of the project team, and a way to measure your success at change management.

The Vision

By the time an organization approves and funds an initiative, you can bet that a great deal of time has been spent discussing the business case, debating the pros and cons, evaluating competing solutions, calculating return on investment, and building support and buy-in among the leadership team.

This is all quite necessary, of course, and very important for the project. But just like a lot of other important and necessary activities, it's far from sufficient to ensure the project's

success. Truth be told, after leadership and everyone else involved has been through all of this meticulous early activity, they may end up with a false sense of security.



The reality is, most of the time you'll find that each person involved in a project has a slightly different vision — one that is colored by that person's interests and function. For example, finance leaders tend to see the vision of an enterprise resource planning implementation as financial reporting and compliance rigor. Operational leaders, on the other hand, see it as project oversight and management efficiency. Who is right?

The answer is: Both are right. But the answer is also the challenge, because both of these values are based on just a piece of the function. If the vision is allowed to be defined at that level, the functional level, then decisions made over time in the service of that vision can become increasingly divergent, as Figure 3-1 suggests.

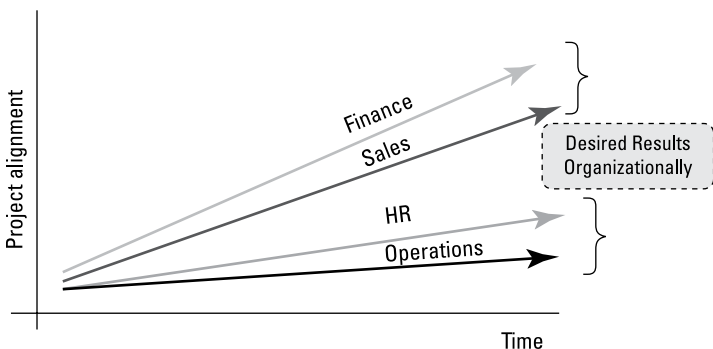


Figure 3-1: Divergent functional visions.

Think of your project in terms of a cross-country journey. Four people are preparing to start that journey. They all stand in Boston and agree that San Francisco is their destination. Then, each takes out a compass and sets a course. As they stand in Boston on day one, their compass settings are only a few degrees apart. They've agreed on the final destination, the compass differences seem insignificant, so all is well, right?



Not exactly. Here's the thing. When one person said "San Francisco," two of the others heard "California." The other one was thinking "The Bay Area." So when they set off on their courses, making decisions based on their understandings and

personal interpretations, they end up dozens or even hundreds of miles apart. This is what happens with projects when it's assumed that the vision is well understood, but different people proceed based on their own perspectives.

To prevent this problem, there must be a clear vision and an easily articulated *definition of done*. That definition must be clear enough to be understood and stated in a few sentences or less. It must contain enough details to serve as the project guidepost. And it must be agreed upon and committed to by 100 percent of the leadership, project sponsors, key stakeholders, and the project team.



Just because you, the leadership, the evaluation committee, and the project team understand and are comfortable with the decision to move forward with the project, everyone in the organization doesn't instantly see it your way. After all, you've likely had months to internalize the many aspects of the project, a little bit at a time.

And although you may have reached the point where the vision is crystal clear to you and the others involved up to this point, odds are that it's only somewhat clearer than mud to those who are just finding out. If that's complicated by disagreement over the "real vision," then you have a significant challenge on your hands.

The Plan

If you don't know where you are going, any road will get you there.

Lewis Carroll

Planning for projects is such a basic but important function that businesses have created positions specifically charged with managing the effort: project managers. These specialists study coursework and earn certifications to ensure that they understand the requirements and possess the right competencies.

And yet, all too often, there's no plan developed for the OCM part of a project or initiative. Organizations try to wedge some activities into the overall project plan or they populate a spreadsheet with a series of messages and call it a

communication plan. Such measures fall far short of what's really needed.

To be truly effective, your plan must contain some basic elements: strategy, governance, timing, and accountability. In other words, spell out the overall approach you will bring to bear on the changes from a strategic perspective: Will the organizational change efforts lead the project, follow the implementation, or occur in parallel? You need to be equally explicit about how the OCM effort will be managed (governance) the timing of various work streams as they relate to the overall project, and who will be ultimately responsible for the activities and their outcomes.



What's truly required for success is a plan that breaks the overall project into manageable phases, aligns those phases with the specific requirements of the project or initiative (such as implementation phases), and then sets forth a sequence of activities designed to move from current to future state.



Work closely with the project manager or project management office in charge of the initiative. Most OCM efforts don't require a separate project manager role, but the activities detailed in the OCM plan must be communicated to the person managing the project's overall activity and closely aligned with his or her work.

Most often, project managers are experts at managing timelines and resources, and they have expertise using project management software. They can be valuable allies.

The Resources

The best plans in the world are useless unless there are sufficient resources to execute the plans. From the beginning, the OCM team should be actively looking for the necessary resources. The people are the most precious resource, and hardest to come by. But there are other resources that also need to be considered early on, including:

- ✓ Meeting/team work space
- ✓ Scheduling and logistics support

- ✓ Communication drafting and editing support
- ✓ Technology support (intranet, shared sites)
- ✓ Travel and other budgeted items



One of OCM's functions is to expand the involvement and awareness of the project or initiative. With that in mind, you can never have too many resources on an OCM team. In addition to the work streams detailed in your plan, you'll find endless opportunities to deploy people as part of a change agent network.

The Support

A particular challenge OCM teams often encounter is being “on the outside” of the project. If leadership doesn't set the example early on by providing OCM with a seat at the table, OCM's position and importance are marginalized. This is a major barrier for effectively executing the plan and activating the change behavior needed to drive success.

Success for an OCM team is often determined by the amount, quality, and consistency of leadership support it receives. Support can take many forms throughout the course of a project.



Assume nothing when it comes to leadership support. Be deliberate in your outreach and direct in your requests when you enlist the support of key leaders.

At the beginning of a project, support is shown as a willingness to participate in alignment and visioning activities, to set the tone and example. In the middle of the project support is the active provision of resources and holding others accountable to the OCM activities. At the end, support is providing a public example of the new state and ensuring that new behaviors become hard-wired.



Engage leadership early in the project and be explicit about the involvement of leaders. Provide a clear description of their responsibilities with regard to the OCM efforts and make that part of the OCM project charter.

The Measurement

In the world of performance, it's often said that "you get what you measure." This is true for OCM, too. Here's some food for thought: A measured failure, while not ideal, can at least be understood and improved upon. Something that's declared to be a failure but not measured offers no helpful takeaways, and in any case, that failure is often just an assertion of opinion.



Any OCM project must make measurement a key component. Some important things you should measure include:

- ✓ Clear success metrics for the project, including ROI, user uptake and adoption, and reduced cycle time
- ✓ Stakeholder engagement
- ✓ Organizational awareness
- ✓ Communication, activity, and other involvement levels over time
- ✓ Feedback
- ✓ Adoption/behavior changes.



Failure to establish measures that are clear and agreed upon puts your credibility at risk, along with the overall impression of the project's success. Unless you're in the ultimate position of authority to declare success and have no one question it, effective, data-based measures are your most important tool.

Chapter 4

The FAST Approach to Change

In This Chapter

- ▶ Generating a future vision
- ▶ Arming and preparing
- ▶ Supporting the process
- ▶ Transitioning to normal

As co-author Mason often says “Chattin’ ain’t changin’ and talkin’ ain’t transitionin’.”

Successful change management requires more than just a seat-of-your-pants plan. To effectively execute a successful OCM initiative, you need a framework within which to operate.

A number of models and approaches are available. A favorite is an approach called FAST, which evolved from work in the area of human performance and draws upon both best practices and years of practical experience. FAST is short for this approach’s four phases: Future Vision, Arm and Prepare, Support, and Transition. This chapter walks through the phases of FAST, as illustrated in Figure 4-1.

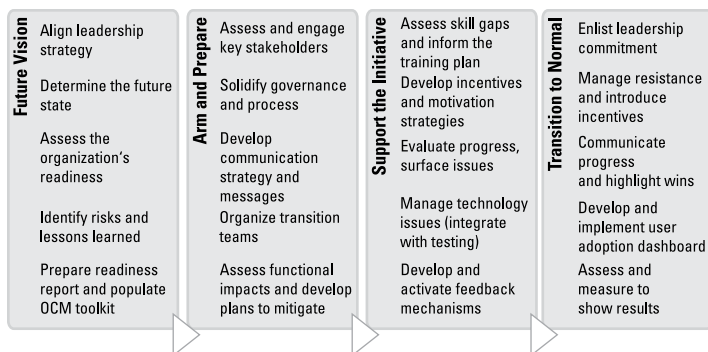


Figure 4-1: The phases of FAST.

Phase 1: The Future Vision

The first phase of the FAST approach is the *Future Vision*. This phase addresses the vision and plan components of change. It engages in specific activities designed to ensure that you have a clear vision and definition of done, alignment, and understanding from your leadership team, and a good understanding of the current state of the organization's change readiness.



The Future Vision phase is the foundation for all subsequent activity. Because much of the work in this phase is strategic in nature and doesn't generate deliverables the way project teams are used to doing, the temptation is to speed through it. You may be tempted to give it a half effort or cherry-pick only the most visible parts, like the readiness assessment. This is a big mistake! Not only will your sins of omission leave you unprepared for the next phase, they will come back in dramatic ways to haunt you in the later stages of implementation.

The data you gather from Table 4-1 activities will form the basis of your OCM plan.

Table 4-1 Gathering Data for Your OCM Plan

Activity	Purpose
Align the strategy	Ensures that leadership and project team members understand the role of OCM and that the strategy is consistent with the project approach.
Determine the future state	Ensures that the vision of the future state is consistent and clearly understood by all, resulting in a single agreed-upon vision statement.
Assess organizational readiness	Captures data around organizational frames, experiences, technology, attitudes, support, and experience to determine how prepared the organization is for the contemplated change.
Identify risks and lessons learned	Gathers information on previous changes in the organization, what worked well and what didn't, as well as any other risks such as resources, capability, and the like.
Prepare readiness report and populate OCM toolkit	Brings all of the data together into a report for the project team and key stakeholders. Prepares the initial toolkit to track OCM activity.

Phase 2: Arm and Prepare

The *Arm and Prepare* phase picks up where the Future Vision phase left off. When you reach this phase, you should have a clear picture of where you're going, and you should have the basic elements of your plan in place as you prepare to move forward.



The activities in this phase help you deepen your understanding of how two different audiences perceive the project: those who will be most greatly impacted by it and those who are in a position to have the greatest impact on its success or failure (and there may be some overlap). You'll also embark on one of the most difficult but valuable activities of the entire OCM project: the functional impact assessment.

This assessment (shown in Table 4-2) takes the logical decisions made during the project's design phase and evaluates the impacts those decisions will have on the very real and sometimes not-so-logical roles, processes, policies, skillsets, and motives of the people. This work informs everything from project team decisions to training plans, from process redesigns to policy creation. This is, as they say, where the rubber meets the road.



A significant challenge of this phase is timing. Remember that the project team will have just gone through a grueling process of decision and revisions to arrive at a functional design. You will likely experience resistance as you begin to put time demands on people who are just getting through a long haul. Be mindful of this and patient as you stay the course. Failing to gather functional impact data will leave you blind to the real impacts and unable to make the choices your client needs.

Table 4-2 Arming and Preparing	
Activity	Purpose
Assess and engage key stakeholders	Examines the attitude of key stakeholders beyond the project team to determine their acceptance, denial, resistance, and support. Identifies opportunities for involvement.
Solidify governance and process	Ensures that the organization is structured appropriately to manage the transition as well as the future state. Initiates work stream to address significant organizational issues.

Activity	Purpose
Develop communication strategy, key messages	Leverages data gathered in the Future Vision phase and stakeholder assessment to develop a communication strategy, key messaging, and a communication plan.
Organize and launch transition teams	Organizes transition teams of three to five individuals to focus on specific work streams: communications, process and procedures, roles and policy, and knowledge transfer.
Assess functional impacts	Examines the impacts of the decisions made during the design phase on specific roles, processes, and functions in order to inform the transition team work streams and the project team.



Everyone faces his or her own work, pressures, and motivations — and that includes the project team, the key stakeholders, even members of your OCM team. One client says it feels like you're working a "change project within a change project." Stay the course. Work your plan. You need to be the steady, consistent hand on the helm through this time of stormy seas.



Coordinate closely with the project team and project manager as you enter this phase. During the design phase of an implementation project, the implementation team uses all the oxygen in the room. Even so, you still need to lay out the basic blocking and tackling for your transition teams. When the design is done and approved, you should be ready to immediately launch your transition team activity and initiate the functional impact assessment work.

Phase 3: Support

You're into the heart of the project now. On the implementation side, things are probably in the configuration and testing mode. From the organization's perspective, this is often

where the project seems to “go dark.” The activity is nowhere near as obvious as it was during design, when demands were high. There’s a risk that a lot of the interest, commitment, and excitement that has been building up to this point will now dissipate.

This is the time where the OCM folks need to double down on their primary focus: the people. The project implementation teams will often take a very protective stance during this phase. They may not want their “new baby” (the system design) to get picked apart. They will guard information and operate on a need-to-know basis. Simultaneously, the broader organization will begin speculating and even talking about what the implications of the system will be — usually mixing rumor and half-truth with outright misinformation.



The OCM team has to step into this mix to ensure that the right information is flowing to and from the project team. Resistance, anxiety, and confusion must be actively sought out and not ignored or even worse, squashed or pushed to the side.



Work during this period involves ramping up the communications that were started in the previous phase, as well as driving additional involvement and awareness while supporting the organization’s ongoing preparation for the coming changes.

Key activities in this phase pivot off the work done with functional impacts: examining how those impacts might require different skills and how to develop strategies for encouraging new behaviors and choices. It’s also important to integrate with the testing team to gather data and uncover the unexpected, so that issues can be dealt with *before* they become problematic surprises at go-live.

This phase also takes the important step of establishing formal and informal feedback mechanisms that will provide valuable information to the OCM and project teams in time leading up to and following go-live. Use Table 4-3 to get this phase going.

Table 4-3**Assessing Support**

Activity	Purpose
Assess skill gaps and inform training plan	Leverages the information assembled through the functional impact assessment to determine the skill levels required and the current state. Informs the training plan.
Develop incentives and motivation strategies	Leverages the functional impact assessment to make decisions about how to affect critical behaviors (those necessary for project success).
Evaluate progress and respond to issues	Continues to survey, gather feedback and assess the stakeholders, leaders, and organization to learn about attitudes, awareness, support, and commitment. Identifies specific issues requiring action.
Manage technology issues (integrate with testing)	Gathers feedback from functional testing on user challenges and technology issues, and incorporates as appropriate into communications, training, or risk documents.
Develop and activate feedback mechanisms	Prepares formal and informal feedback mechanisms for people to respond to changes.



Leverage the great resources you have. If your company has training experts, include them in the evaluation of skill gaps. Reach out to HR for ideas on motivation and incentive strategies to drive behavior.

Phase 4: Transition to Normal

Good news, you're almost to the end of the road, right? Not so fast. In some ways, the final phase of FAST is really the first phase of the new normal. The *Transition to Normal* phase is critical for establishing the successful direction of the project launch, with both leadership and the greater organization. See Table 4-4 for a summary of important steps in this phase.

Before you send your new project off on its own, it's important to make sure of a few critical items:

- ✓ Does leadership understand its role in sustaining the transition?
- ✓ Are leaders prepared to model the behavior they want from the organization?
- ✓ Are they committed?
- ✓ Is there resistance, or are there any issues that still need to be surfaced?
- ✓ Has the organization introduced the right incentives to drive the desired behaviors?
- ✓ Have you expanded the appropriate frames?
- ✓ Has the OCM team identified early wins and celebrated them?
- ✓ Do you know how you'll measure OCM progress?
- ✓ Is there a dashboard for those measures?
- ✓ When will there be a report on progress?

Table 4-4 The New Normal	
Activity	Purpose
Enlist leadership commitment	Sets clear expectation for leadership about their contributions and activity during transition
Manage resistance and introduce incentives	Identifies areas of resistance and introduces strategies for enlisting support. Develops incentives to drive acceptance.
Communicate progress and wins	Extends communication activities to communicate transition success to stakeholders and leaders. Identifies and communicates success stories from transition.

Activity	Purpose
Develop and implement user adoption dashboard	Assembles information from the future phase along with user adoption metrics gathered during the functional impact assessments to develop an adoption dashboard.
Assess and measure to show results	Gathers data from implementation, adoption, and transition activities to measure progress and prepares reports to inform stakeholders.



Your user adoption dashboard should be a derivative of the work you did in the Future Vision phase. Look at the vision and the definition of done. Identify the specific activities that will lead to those successes, then quantify them. You may need to work with the project team and business leaders to dial these in appropriately.



Transition to Normal is more of an ongoing phase than a gated, scheduled activity. When you consider that it takes an individual as many as 60 days to develop a new habit, it's not unreasonable to expect a group of individuals (such as an organization) to take six months or more.

Chapter 5

Integrating Change and Implementation

In This Chapter

- ▶ Determining the proper order
- ▶ Aligning and sequencing activities
- ▶ Establishing effective governance

So now the project is ready to launch. The OCM team has done its best to align with leadership. The project team has been selected. Now comes the fun part: integrating with the implementation.

The importance of OCM's role in the implementation can't be overstated. The typical driver for a large-scale system implementation is some kind of increase in business value. But to achieve business value, people must be willing and able to adopt new approaches, learn new system interfaces, and change the way they create value at their level.

The best implementation in the world can't achieve this if the people don't get onboard. Implementation is the best opportunity to get them there. This chapter spells out the ideal connection between implementation and change management.

Which Comes First?

Think about the word *first* and two meanings typically come to mind. There's first in sequence (this first, that second, and so on). And there's first as in a priority (this is more important than that).

In an implementation-driven OCM project, this is an important consideration and a critical nuance. You see, from the project team's perspective, standing up a functioning technology comes first both in priority and sequence (and in the opinion of some implementation teams, it's the first and only priority). Operating from this frame, decisions are made first around project parameters, such as technology, finances, and the like. Decisions related to organizational impacts, people, and adoption — those things are assigned a lower priority or put off completely.



Working that way isn't the best recipe for success. To begin with, it sets the project down a path toward a conflict between the people side and the technology side, when an integrated approach is a whole lot better. Also, it implies a priority framework against which all future project decisions are made — technology is more important than anything else.

And finally, this mindset diverts the focus from what should be the most important question: "As a result of doing this, what do we hope to achieve?" If the answer to that question is "A sound technology," then it makes perfect sense to put technology first. But the answer typically is "A system that enables our people to create incremental value for the organization."



That means the appropriate approach — and the one that delivers far greater value to the project and the ultimately to the organization — is that OCM is first in order, and coequal in priority.

Placing OCM in *front* of the implementation activity arms the project team with a clear set of guideposts. For example, what does *done* look like for the organization? What are the risks from an organizational standpoint? Where do stakeholders stand and how far will we need to move people to see the results that your sponsor expects?

Technology isn't always easy, but it's predictable. Technology follows a consistent set of rules. People don't. The answer is to work what is predictable and focus on what isn't.

Aligning and Sequencing Activities

Implementations are demanding. They tax the organization's resources, and require tight management of tasks and timelines in order to stay on track. These truths have implications for OCM.



The fact that implementation is difficult is why it's so essential to integrate it tightly with OCM and to give deliberate thought to the sequencing of activity. For example, consider the design phase of a project. At this point, subject matter experts, implementation consultants, project steering members, business process owners, and IT staff are consumed with meetings, documents, and decisions. It's difficult to get much if any of their time, and not particularly reasonable to expect that you'll be able to.

Given that reality, the OCM team must sequence its activities to work countercyclically with those of the project implementation team, as illustrated in Figure 5-1. As the implementation team is consumed with deliverables, the OCM team takes care of foundational elements and establishes the basic blocking and tackling for the effort, an activity that demands little or no time from project team members.

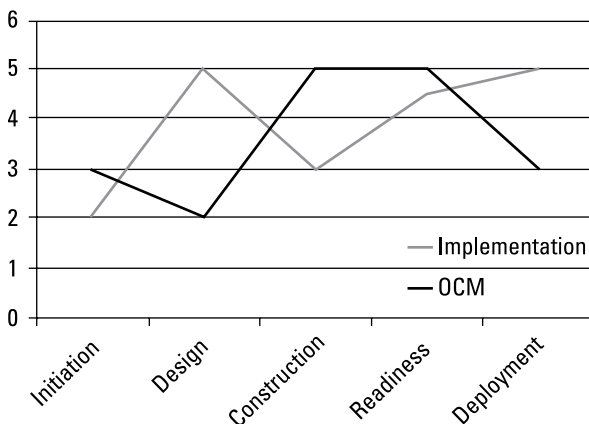


Figure 5-1: Working countercyclically.

As the design phase winds down, the OCM team ramps up its activity and engages the transition teams to leverage the design decisions that have been made. Check Figure 5-2 for a sample sequence.



Things happen and plans change, so make sure you can adapt your activity to the changing conditions. As your schedule evolves and you inevitably need to iterate some activities, be sure to maintain coordination with the project manager or project management office.

Project Governance

One of the factors that helps determine OCM success is governance. It's also of particular interest to effective integration. What is *governance*? Well, it's shorthand for quite a mouthful. Governance officially encompasses these parameters:

- ✓ Who reports to whom?
- ✓ What are the escalation paths for issues?
- ✓ Where can one find the authority and accountability for various elements of the project?

You can see why it's easier to just boil that down into one word: *governance*.

The nature of OCM, and its activities and reach into the organization, suggest that it needs a place in the governance structure with:

- ✓ Sufficient access to controlling leadership
- ✓ Project authority for scheduling and communication
- ✓ Input at the steering committee level
- ✓ Peer status with the project lead/PM/PMO

OCM Alignment

HIGH LEVEL ROADMAP

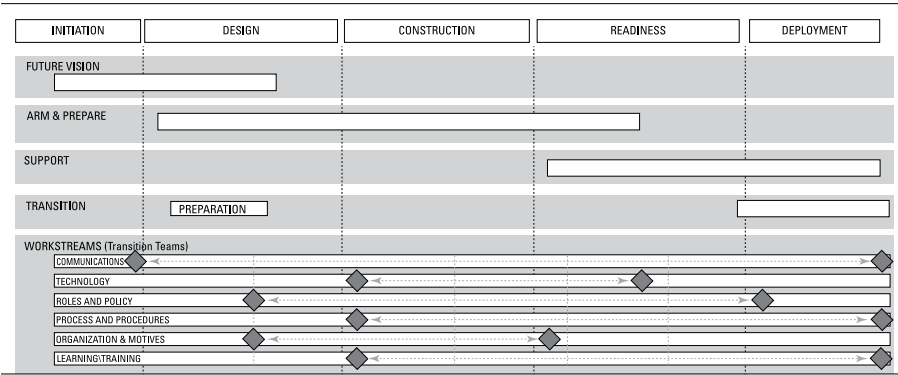


Figure 5-2: Planning the OCM work.

This means OCM must be placed next to the typical project structure as a parallel function, as indicated in Figure 5-3. The importance of this approach is that:

- ✓ Significant OCM issues can be brought immediately to the project sponsor's attention.
- ✓ The priority and visibility of OCM as a critical success factor is elevated.
- ✓ Actions and activity can be more readily integrated at their development (rather than being engineered in later).

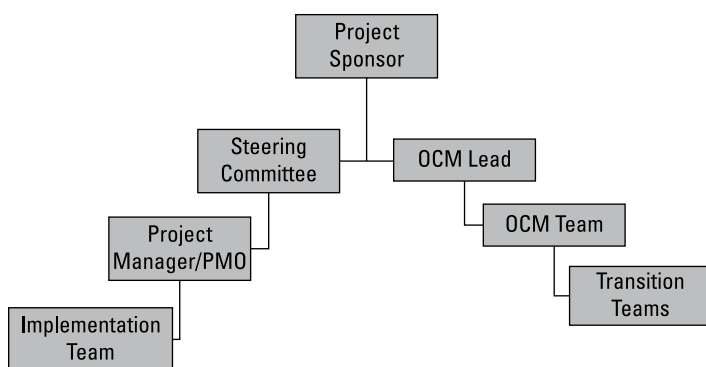


Figure 5-3: A representative governance structure.



Many project sponsors and most project teams on ERP implementation projects have a strong bias for what they know, which is typically IT and finance. Whenever possible, try to communicate in straightforward language, avoiding OCM terminology. The more you can talk their talk, the better your message will be received.



A fundamental difference between OCM and implementation is the nature of the thinking approach. Project implementations typically involve people who are linear thinkers, and they plan linear activities (activity one leads to activity two, then three, and so on.)

OCM, on the other hand, requires systems thinking and involves activities that are systemic in nature (activity one leads to activity two, but influences activity three and four, while activity two may lead back to activity one or three, activity five covers a range of other activities, and so on).

So what is systems thinking? In his book *The Fifth Discipline*, Peter Senge defines it as

... a way of thinking about, and a language for describing and understanding, the forces and interrelationships that shape the behavior of systems. This discipline helps us to see how to change systems more effectively, and to act more in tune with the natural processes of the natural and economic world.



In other words, nothing in a system is black and white, or as straightforward as it seems. Perhaps you're running a naming contest for the new technology. In doing so, you're also simultaneously affecting the system by increasing awareness, engendering a sense of ownership, and gauging interaction and participation.

It's a whole different way of thinking, and this difference in approaches is often a disconnect between the OCM and implementation teams.

Chapter 6

What about Culture?

In This Chapter

- ▶ Understanding the implications of culture
- ▶ Seeing how culture impacts OCM
- ▶ Asking the right questions

There's a saying in the consulting community that "Culture eats strategy for breakfast." Nothing could be more true. And it's not just strategy that culture snacks on; it's execution, innovation, resilience, and change, among other things.

In many ways, an organization *is* its culture. How the employees interact with each other and their clients, what their beliefs are about the company and its mission, the speed and quality of execution, innovation, and growth — these are all strongly connected to and influenced by the organization's culture. This chapter explores the critical role of culture and OCM's task in understanding it.

Understanding the Implications of Culture

What is culture? The dictionary refers to dishes of bacteria, or society's customs and attitudes, among other definitions.



What about *organizational culture*? You hear that phrase a lot, and it can mean anything from "This is a great place to work because the people are nice" to "We are a culture of execution — execute or be executed." But talk to an organization's leaders,

and there is often very little understanding about the origins or the implications of their organization's culture — or even what the culture is.

At the foundational level, culture is really a summary term. It is the result of experiences that the people of an organization bring from their lives combined with the experiences they have in the organization (usually leadership-driven). These experiences form their beliefs (frames), which inform their actions, interactions, and responses (see Figure 6-1).

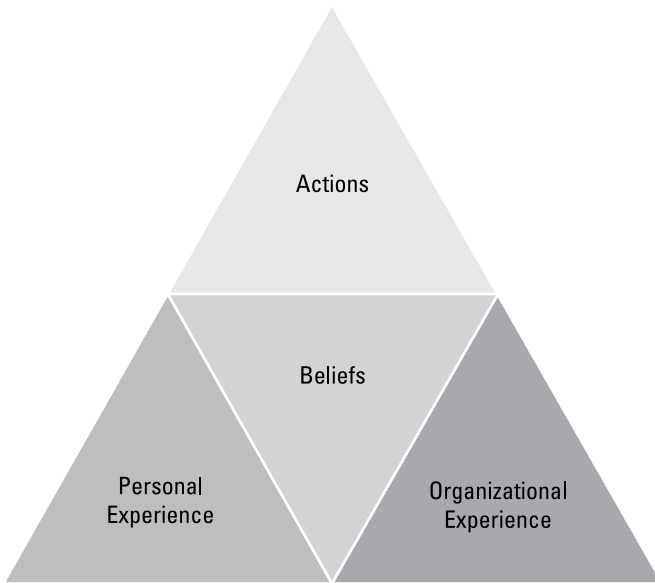


Figure 6-1: An individual's role in the organizational culture.

The implications of culture, as you can see, are significant. A person's beliefs serve as the gate for all decisions on action: how the person interacts with and responds to management requests, how that person treats fellow employees, the sense of urgency (or complacency) that the person brings to the job. These are all supported or inhibited by the nature of the organizational culture.

The Effects of Culture on Change



It's not difficult, then, to make the connection to OCM. If leadership has made promises in the past about changes that turned out not to be true — there would be no layoffs and there were, the system would be easy to use and it was not, the new structure would create opportunity and it did not — then the belief system, the frames installed in the culture, will treat the next change as not credible.

Table 6-1 shows some examples.

Table 6-1 Defining Culture through Experience		
<i>Past experience</i>	<i>Belief</i>	<i>Action</i>
Many initiatives started and not completed.	We don't follow through.	I won't participate this time because it will never get to the finish line.
Project teams are forced to do their own jobs as well as the project work with no additional support.	If you join a project team you will have no life beyond work.	I want work-life balance so I will not join project teams here.
People who participate and execute are valued and promoted.	I believe that what I do will be recognized and rewarded.	I will look for opportunities to participate in initiatives.

If this were the extent of one's personal and organizational experiences, things would be a bit more manageable. Unfortunately, that's not the case. Right between personal and organizational experiences are the inferred experiences everyone shares within the organization, as illustrated in Figure 6-2. These are the stories, the empathy with the plight of others, and the institutional memory that preceded you.

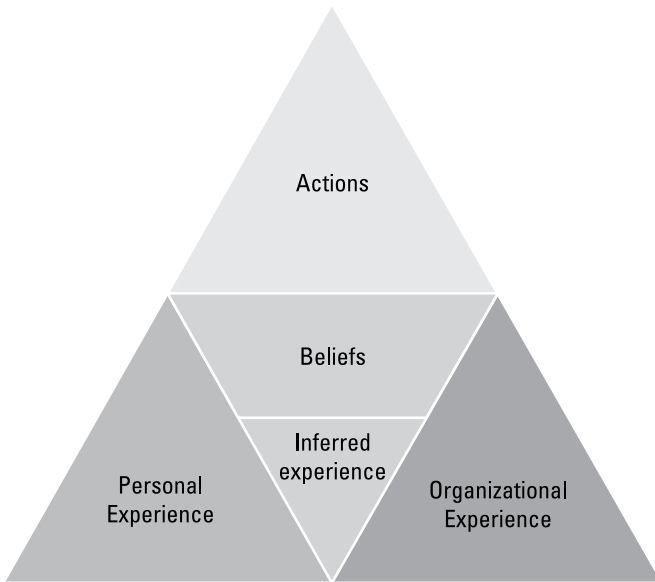


Figure 6-2: Where inferred experiences fit in.

In Gordon Stephenson's now-famous experiment involving five monkeys, it became very clear that the notion of "this is how we do things here" is very real and can be demonstrated.

In the experiment, negative feedback was used to on five monkeys. The monkeys were sprayed with cold water when they went for bananas. One by one, the monkeys were replaced, but none of the newcomers ever got the negative reinforcement.

Despite that, the new monkeys each learned not to go after the bananas. They each learned the lesson of "this is how we do things here."



Make every effort to learn about the culture within your organization, particularly the "this is how we do things here" norms. Don't try to take these on directly or argue against their validity. Instead, look for ways to work with, through, or around them.



You need to be aware of the culture and its potential impacts on your ability to effectively manage the OCM activities. Pay close attention and the cultural barriers will be easy enough to see. And if you discover them early on, call a timeout and have a deliberate project risk conversation with project leadership. Together, you may be able to identify a path to success.

A Change within a Change

If you're like a lot of people involved in change management, you may find yourself facing a project involving the implementation of a major ERP system. Congratulations, and let the fun begin! The good news from an OCM perspective is that the implementation team needs your help, and in many cases has even admitted it.

The not-so-good news is that OCM and the typical ERP implementation teams are from different planets (for more on this, see Chapter 5). These two teams see things differently, the OCM team's processes are often nonlinear, and the teams use language and approaches that are unfamiliar to one another.

So you have a change within a change. You will have to work your magic (assessment, understanding frames, communications, involvement) with the project team *before, during, and as* you work on the large-scale change. Take a look at Table 6-2 for an example of what these different views mean.

Table 6-2 Understanding Different Teams' Views

<i>OCM's View</i>	<i>Project Team's View</i>	<i>What It Means</i>
A connected system of people.	A connected system of technology.	Technology obeys consistent rules of programming, people do not; therefore OCM activities and processes may seem "touchy feely" or not make sense to the typical technologist.

(continued)

Table 6-2 (continued)

<i>OCM's View</i>	<i>Project Team's View</i>	<i>What It Means</i>
Technology as an enabler to a business result.	Stable, functioning technology as an end in itself.	The project team's focus here may at times put them in opposition to OCM's work streams. If OCM's activities are not seen as contributing to the system's function, they may be viewed as less valuable.
Technology should conform to people and allow them to achieve incrementally valuable outcomes.	People need to learn how the system functions in order to get the results they need.	Often this conflict leads project teams to mistakenly believe that all they need to do is train the people to use the system. OCM's view is that the system should first be aligned to the people and their work and then should enable them to create value.



To accomplish this, your best ally is the question mark. Continually ask questions that lead the way to the important point: If people don't use the system, then what? One of the most effective questions is simple: "As a result of doing this, what do you hope to achieve?" Ask it and apply it frequently.

Chapter 7

Top Ten Keys to OCM Success

In This Chapter

- ▶ Engaging leadership
 - ▶ Understanding the impacts
 - ▶ Measuring success and evaluating failure
-

If you've read the chapters leading up to this point, you know about the components of managing organizational change. This book gives you a handy system for managing the process, explores alignment with project implementation, and examines the role of culture. What else do you need to make it work? Here are ten keys to making change successful.

Engage Leadership Early and Often

If you don't have visible, consistent, and committed leadership support, your OCM efforts are doomed. Yeah, that sounds kind of alarmist. But it's the truth.

Given that, it's absolutely essential to engage leadership immediately — it's the first key to success. From a timing perspective, you should do this just as soon as the project

is green-lighted, and well before kickoff. Here are some specific actions to consider:

- ✓ Prepare and present a list of leadership responsibilities and accountabilities.
- ✓ Conduct a strategic alignment meeting.
- ✓ Draft and discuss a project vision statement.
- ✓ Create an OCM leadership council and schedule meetings for the duration of the project.
- ✓ Determine, document, and specifically request acknowledgement on project governance and authority for OCM.



Leaders are busy people. In most cases, they've gotten where they are by asserting their points of view and acting with confidence. If you're pushing for leadership engagement and you get your hair blown back, don't be intimidated. Keep in mind that in OCM, in particular when it comes to the leadership, your job is to tell clients and those in charge what they *need* to hear, which may not always be what they *want* to hear.

Establish and Enforce OCM Governance

A smoothly functioning project needs effective governance (otherwise, it's not likely to be smoothly functioning). Governance is critical to an effective OCM initiative. It's not uncommon to see OCM rolled into or under the PM/PMO. Sure, this makes sense on paper, but in practice it creates a gap between key leadership and project governance, critical OCM decisions, and support. At times, the result is a conflict of competing priorities with the implementation team, and guess who usually ends up taking a back seat? Yep, the OCM team.



Establish at the outset that OCM is a key project success factor, and differentiate it from the project management function. To be successful, you need direct access to the project sponsor and a seat at the table within the steering committee; not the back seat.

Integrate and Coordinate with the Project Team

One of the challenges OCM teams face is that the nature of their activity is, by default, often nonlinear. If you hope to be effective, you'll need the ability to dovetail your activities into (and at times piggyback onto) the activities managed by the PM and the project team. They are, of course, linear thinkers, so remember that they might be on another page in that regard.

And keep in mind that while you clearly know how critical OCM is as a project success factor, what's staring the project team in the face is a massive technology undertaking. That means it's important to have the support of the PM and project team, and not be viewed as a nuisance who creates extra work for them.

Communicate, Communicate, Communicate

It's impossible to overstate the importance of communication to the success of your OCM efforts. In fact, many people take a look at the level of communication associated with effective OCM programs, and they assume that OCM and communication are one and the same. Obviously, there's a whole lot more to OCM than communication, but it's true that communicating early and often is one of the core strategies.



Always ask yourself, "Who needs to know, when do they need to know, and in what form, format, and quantity can they best receive the information?" This will help you keep your mind on effectively sharing information as the workload of documents and deliverables increases.

Leverage Transition Teams and Expand Participation

One of the most important functions of the OCM team is to expand participation and awareness of the project. Gaining more participation helps drive a sense of ownership for the solution across the organization. Implementation teams are often small, compared to the overall organization, and they tend to control membership and access to information tightly. Your job is to reach out.



By engaging the transition team approach, OCM expands the reach of the project beyond the typical IT and finance experts, giving more of the “average corporate citizen” a sense of belonging in the project.

Finally, make no mistake: You will not succeed alone. To achieve what you need to achieve, you have to delegate effectively. Transition teams are the best way for you to delegate and manage the key workstreams for OCM success.

Understand the Impacts of the Change

Newton’s first law of motion states: An object at rest will remain at rest unless acted on by an unbalanced force. An object in motion continues in motion with the same speed and in the same direction unless acted upon by an unbalanced force. This law is often called “the law of inertia.”



Change can be thought of as an “unbalanced force.” People are moving in a constant direction as they work. They’re comfortable. And then comes change. It is important to understand the true nature of the unbalanced forces you are inflicting: How will the work change, what will you do more of, what will you stop doing? Understanding and cataloging the extent and nature of these impacts allows you to make good decisions on how to help people adapt to them.

Transfer the Knowledge

One of the most common impacts of change is that people don't know what to do and how it should be done. It is important for us, therefore, to create the roadmap that gets everyone to the same destination. Quite often, you may fall back on simply "training" people without giving them true knowledge. This is insufficient for success.

For change to be successful, you need to create a knowledge transfer plan. More than just training, this plan should account for all the ways that people can acquire the knowledge they need, and that you need them to have, in order to make the system and the change a success. This knowledge transfer can include reference cards, expert users, interactive FAQs, help desks, desktop procedures, process maps, coaching, or classes. Whatever the choices you make, they should be made deliberately from the insights of the function impact assessment — they can't be left to chance.

Uncover Resistance and Encourage Feedback

Resistance is a pain, and who likes negative feedback? That's why people tend to avoid these "unpleasantries" whenever possible. This is particularly true of the folks on project implementation teams. They frequently feel so overwhelmed by the tasks, technology, and timeline, their instinct is to control information tightly and hope to avoid resistance or negative reactions.



A typical result of this mindset is what reality shows call "the big reveal." And although the big reveal may be exciting when there is a brand-new house waiting, or an extreme personal makeover, there's a good chance a big reveal will be troubling for the person who finds out that his or her entire way of working has suddenly changed.

It's up to you to take a different view of the people who resist. In fact, it's best to actively seek out resistance so that you can work to understand the source of concern. Yes, you can avoid resistance or pretend it's not there, but that doesn't mean it's not there. It will, sooner or later, surface and harm your project!

Create Incentives

In life, people are moved by two primary drivers: fear and desire. This is also known as the fight or flight instinct response. Research says two things about these responses: They both get results, and they both have different outcomes.



When initiating change, organizations can overuse their power — creating in the workplace a fear of losing a job, fear of a poor performance rating, or fear of reprisal from a peer or manager. These fears set up a negative cycle of behaviors and responses. And although playing on these fears may get short-term results, the responses from employees are generally not truly productive. Fear incites compliance, not engagement, and the long-term consequences to the organization's culture can be devastating.

Far better is to create incentives for people to opt-in to the program. When people choose to participate (as opposed to participating out of fear) they contribute at a much greater level. These incentives don't need to be elaborate and can often involve only recognition as a reward.

Measure Success and Evaluate Failure

Measurement is the final key to success. Work tirelessly with your project sponsor and project team to establish measures of success. Socialize them throughout the project. Create and install the mechanisms through which success will be measured and report on them at an agreed-upon frequency.



You can deal with, learn from, and react to a failure that has been measured. As for a failure that has simply been declared as such — well, in the absence of measurement, that's just someone's point of view. Declared failures are an opinion war, and in that kind of conflict, there's never a winner.

Appendix A

Resources

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Web Resources

Deltek's Change Management Page: Learn more about Deltek's fail-safe change management services that can help your business manage change effectively and proactively prepare your employees for changes of any scale. Find it at www.deltek.com/consulting/change-management.

Deltek Costpoint HR Solution Suite: Deltek Costpoint HR enables firms to track and maintain critical employee information throughout the employee's life cycle with the firm. Costpoint HR also offers integrated on-boarding, recruiting, learning management, and performance management solutions. Find out more at www.deltek.com/HR.

Change Management Forum: This site offers ongoing discussions about change management across a wide array of business, political, and social landscapes. The site also includes links to other change resources. Find it at <http://changemanagementforum.blogspot.com>.

Prosci: Prosci's site offers insight into change management as a practice, the history of the discipline as well as links to tools and training in their ADKAR model for managing change. ADKAR is one of the most widely recognized models for change management. Find it at www.prosci.com.

Fred Niklos: A comprehensive bibliography of books on organizational change and design compiled by Fred Nikols. Find it at www.nickols.us/change_biblio.pdf.

Technobility: This page offers a collection of articles on the area of change. Their purpose, according to the site, is “to transform the act of Managing Change from something we dread, to something we approach with skill, insight, wisdom and an increased chance of success.” Find it at www.technobility.com/docs/menu-managing-change.htm.

The Management Library: This page offers a useful collection of articles, links to books, definitions, and general information on change. Find it at <http://managementhelp.org/organizationalchange/#anchor81397>.

Better Business Learning: This link offers a series of simplified videos and illustrated poster-type references on the various aspects of organizational change. Find it at <http://betterbusinesslearning.com/change-management-resources/#.VAcGzZgg-70>.

Conferences

Deltek Insight Annual Conference: Deep-dive into Organizational Change Management with Deltek University master instructors! Most organizations view the system as the solution, when in fact it is only an enabler. What your people do and how your organization functions are the real solutions to your business challenges. At the annual Insight conference, Deltek presents a structured approach to moving your people and your organization from the “way we have always done it” to the way you need to do it to win.

ACMP annual conference: The Association of Change Management Professionals hosts an annual conference on change management. The conference provides professional development, collaboration, and knowledge-sharing with global experts and practitioners.

The Change Management Conference: Hosted by The Conference Board, this two-day conference brings together executives and thought leaders involved in driving transformation change in their organizations.

Appendix B

Glossary



change agents: Individuals acting in the service of a change initiative. These individuals often act in a communication or data-gathering capacity.

change champion: A key stakeholder, ideally in a senior leadership role, who provides support and visibility to the change efforts.

change fatigue: A condition that results from too many changes. Often leads to change resistance.

change management: Change management is a structured approach for managing the people side of change that incorporates tools and processes in order to predictably achieve business results.

end state (also called to-be): The desired outcome of change efforts.

functional impact assessment: An analysis of the specific impacts to functional areas and actual work. Provides a foundational data set for decision making on transition.

gap: The difference between the present state and the desired future state.

organizational change management (OCM): The methodical alignment of multiple parts of the organization in service of achieving a desired future state using a structured approach and toolset and integrating individual change management principles.

readiness assessment: An assessment of the organization's expectations, attitudes, and preparedness to adopt and adapt to changes.

resistance: Efforts invested to slow, delay, or otherwise obstruct progress toward change. Can be active or passive.

sponsor: The person responsible for the project. Typically holds the financial decision-making authority.

stakeholder: Individual or group who has an interest in or will be affected by the proposed change.

transition teams: Teams assembled within an organizational change initiative around specific work streams and activated as a multiplier for the core change team's efforts.

vision: The imagined end state for the change initiative. A visual description of what the organization will be and will look like after the change is successful.

About the Authors

Mason Holloway oversees Organizational Change and User Adoption for Deltek as Senior Director. He is an accomplished professional with over 20 years of experience in organizational effectiveness, strategy development, performance improvement, and change management. Under his leadership, Deltek delivers a portfolio of organizational effectiveness services to some of the world's largest companies and top government agencies.

Mason is co-author of *Performance DNA*, the most comprehensive and effective toolset for analyzing human performance available today. *Performance DNA* has been widely adopted internationally and is the only methodology taught in the Association for Talent Development's (ATD — formerly ASTD) prestigious HPI certificate program, where he serves as a lead facilitator. Mason has helped dozens of clients address critical business challenges in over 30 countries. His clients have included the U.S. Government, Dell, ServiceMaster, ADP, and Microsoft. He is also subject matter expert for Volume 3 of ASTD's Learning System.

Recognized as a thought leader, Mason is an expert in building high-functioning organizations and helping to achieve dramatic results by analyzing human performance improvement opportunities, reengineering business processes. He is known to be fearless in tackling the most difficult organizational issues even when those issues are in "uncharted waters."

Mason's expertise, facilitation style, and knowledge have made him a sought-after consultant, instructor, advisor, and keynote speaker. He is a regular presenter for organizations such as the ATD, Society for Human Resource Management (SHRM), and International Society for Performance Improvement (ISPI).

Dan Carusi is current Vice President & Chief Learning Officer for Deltek. Dan doesn't know which he likes more — teaching or learning. A father of two, Scout leader, and coach, Dan is often learning as much from the kids (or possibly more) as they are learning from him. With more than 20 years of experience, Dan is responsible for overseeing Deltek University and the Talent & Learning organization, where he oversees all aspects of talent management, leadership development, organizational design & performance, global employee & customer education, and Human Capital consulting. He often uses what he learns from the kids as tools for teaching, with the end goal of making lifelong learners out of everyone.

Prior to Deltek, Dan held leadership positions with Learning Tree International, Verizon Business, MCI, AT&T, and Hyatt Hotels & Resorts, offering a unique blend of industry experience to include hospitality, telecom, and training.

Dan is the recipient of multiple Learning in Practice awards from *CLO Magazine* and currently sits on the Human Capital Executive Research Board and Business Intelligence Board for *CLO Magazine*. Dan was also recently a full-time contributor to *fistful of talent*, publishing articles monthly challenging the latest trends in talent management.

Dan is a graduate of Moravian College with a BA in History and is a current member of the Moravian College Leadership Council. Dan, along with the 1989 Men's Track & Field team, was recently inducted into the Moravian College Hall of Fame.

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Notes



Handwriting practice lines consisting of 20 horizontal solid lines, evenly spaced, for writing notes.

Your guide to ensuring a project's success by managing change

Change happens, and these days it seems to happen more frequently and dramatically than ever. Organizations successfully change by integrating people, processes, and technology seamlessly. This book offers helpful steps for ensuring that your people embrace change not because they have to, but because they want to.

- *Ensure that everyone shares the same vision — align your strategy, determine the future state, and get the organization ready*
- *Link change management with implementation — collaborate and integrate, because competing doesn't get the job done*
- *Keep the focus on the end result — remind all parties of the overarching reasons for change*



Open the book and find:

- The features of the FAST approach to change
- Strategies to work with culture, rather than against it
- Keys to making change a success
- Great questions to ask
- How to change thinking

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