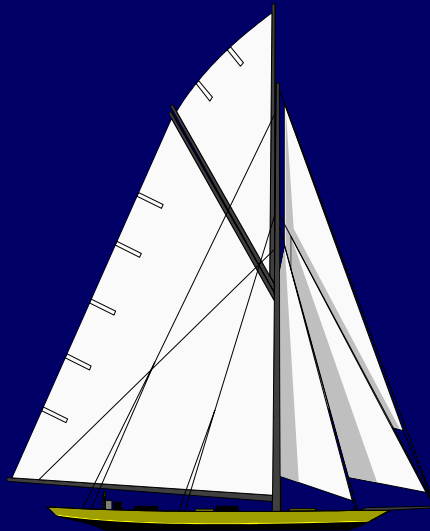


Driving Organizational Change with Project Management

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Windward Consulting Group, LLC



www.windward.ws

Dilbert

I FINISHED THE PROJECT PLAN WITHOUT YOUR INPUT.



YOU WOULD HAVE LIED TO ME ANYWAY, SO I JUST SKIPPED THAT STEP.



I'VE ALREADY ASSIGNED BLAME FOR FAILURE, BUT DON'T WORRY, IT'S JUST PRELIMINARY.



Discussion Points

(Relative to Project Management)

1. How do we effectively change the culture of our organization?
2. Can project management lead the way?
3. How can we get people to accept change?
4. What are the implications for the individual project manager?

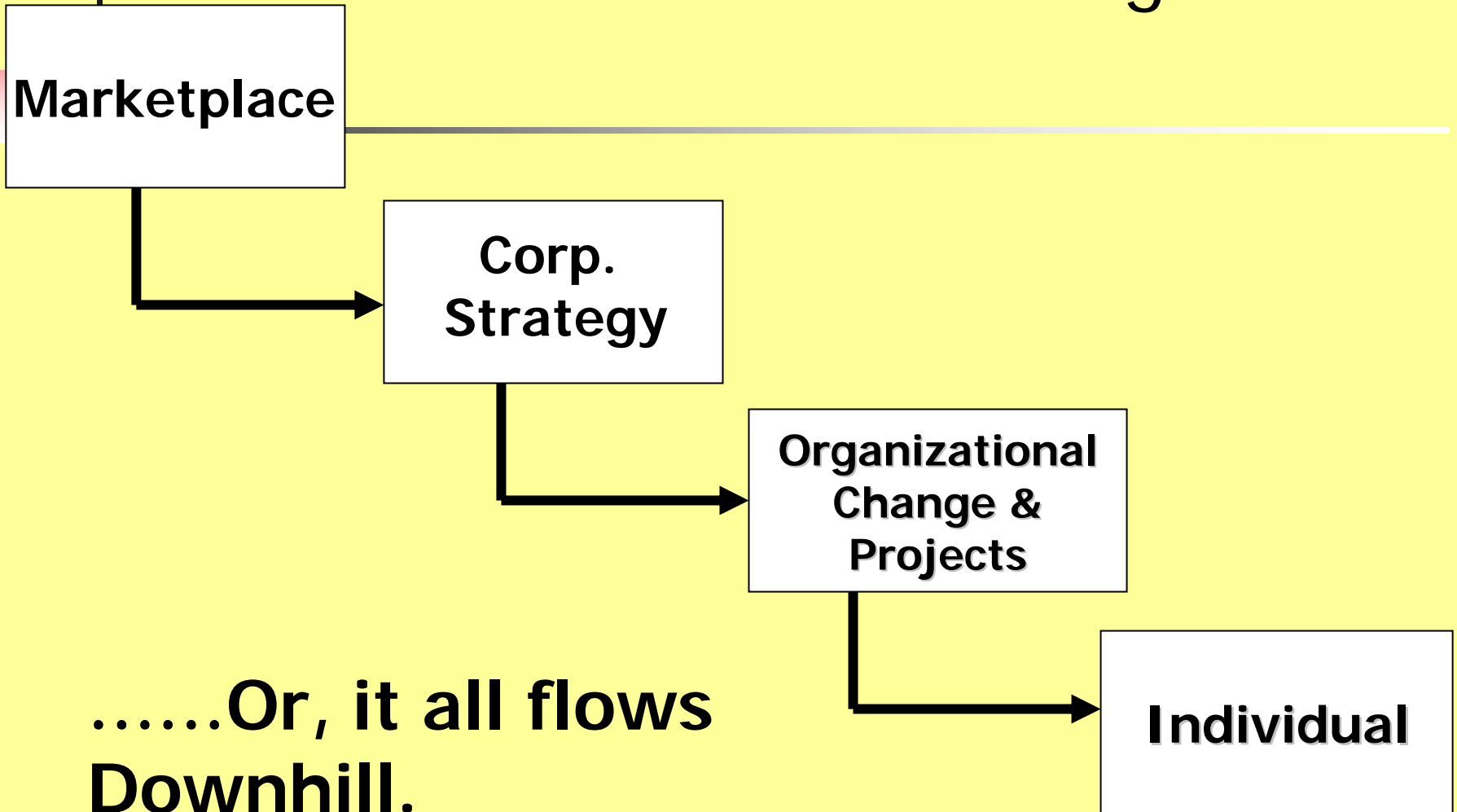
What Causes Change?

David's Top 10 List

1. **Globalization**
2. **Mergers & Acquisitions**
3. **Competition**
4. **Deregulation**
5. **Price & Cost Pressures**
6. **Quality Improvement Efforts**
7. **Continuous Improvement**
8. **Response to New Technology**
9. **New Products & Services**
10. **Change in Management**



The Flow of Change



Some of the Results of Change:

(The unsuccessful ones)

- **Downsizing**
- **Reengineering**
- **Cost Reductions**
- **Questionable Improvements**
- **Closures & Sell-offs**
- **Burned-out employees**
- **Lost Productivity**
- **Wasted Dollars**
- **Lost Opportunities**





Change Management

Why is change so important and why do so many resist?

- **People prefer stability and predictability; change is a threat.**
- **However, in order to survive, corporations must change and continuously evolve.**

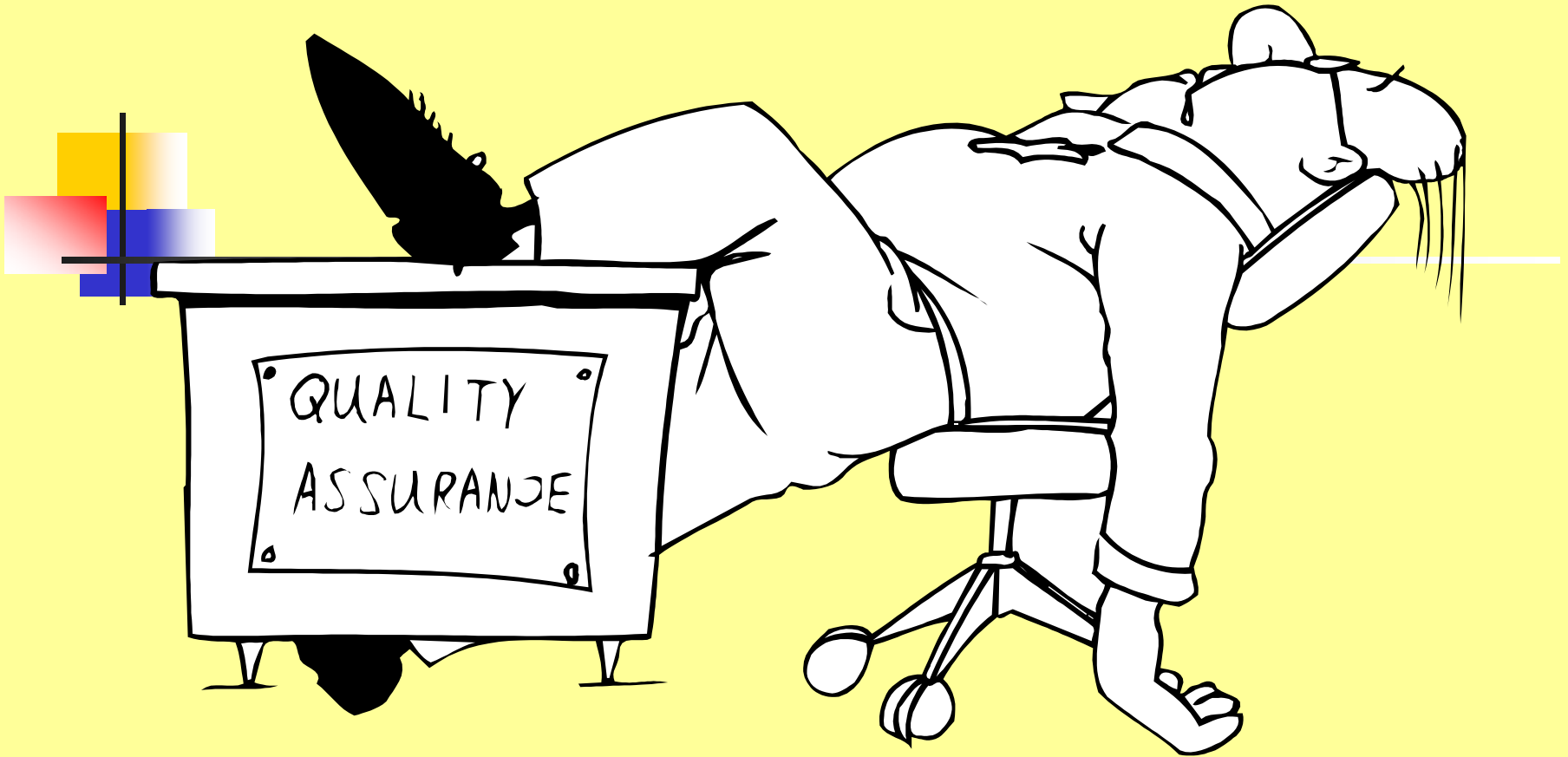


Common Mistakes Associated with Organizational Change

- Deeds do not match the message
- Failure to create short-term wins
- Declaring “Victory” too soon
- Obstacles are left in place
- Lack of a communicated vision
- Allowing complacency

“Whenever you cannot describe the vision driving a change initiative within five minutes, you are in trouble”

- John Kotter
Harvard Business School



A sense of Urgency is needed
to combat Complacency.....

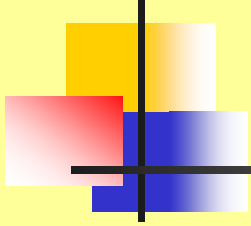
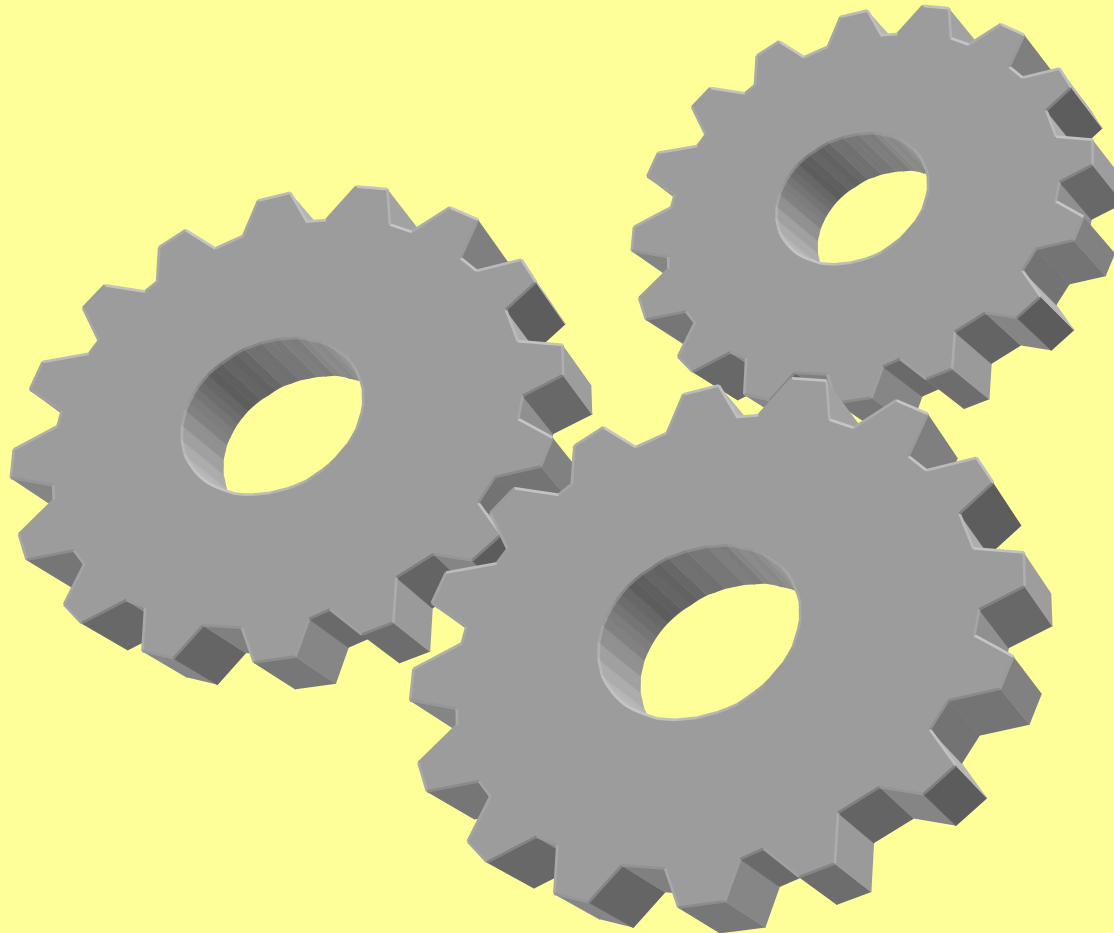
Well, Guess What?

(Organizational Change—Survey Results*)

- Implementation took longer than expected
- Major problems surfaced which had not been identified earlier
- Coordination was not effective enough
- Competing activities and crises distracted from implementation
- Skill level of those involved was not high enough
- Communications to the organization inadequate
- Uncontrollable factors had a negative impact

How do we successfully implement change?

Steps to Successful Change Implementation.



1. Create an Environment for Change



- **Upper Management Support**
- **Listen to Employees**
- **Be Honest in Your Communications**
- **Appoint a Change Committee or Task Force Dedicated to Real Change**



2. Analyze the Organization

- **What is the Mission? Goals & Objectives?**
- **What Processes are in Place to Meet these Goals?**
- **What Level of Resistance will We Encounter?**
- **How Can We Break from the Past?**
- **How Can We Get Buy-in?**
- **What do our competitors do?**

3. Create a Shared Vision



- **Develop a Strategic and Tactical Vision**
- **A Broad Vision Allows for Refined Definition as a Situation Evolves**
- **Continuous Review of Vision Should Occur to Meet Challenges and be Flexible to the Situation**
- **The Change Plan Should be Linked to the Objectives of the Organization**

4. Create a Strong Sense of Urgency

- **Share the Reasons for Change**
- **Have Direct and Frequent Communication Between the Implementers and Strategists**
- **Must Have Upper Management Participation**
- **Change the Compensation/Benefits Policies to Match the New Thinking**



5. Support a Strong Leader

- **A change leader should be designated-- A person that truly believes in the changes to take place.**
- **The leader should have strong executive-level support.**
- **The leader should be someone who is trusted and respected by all levels within the organization.**

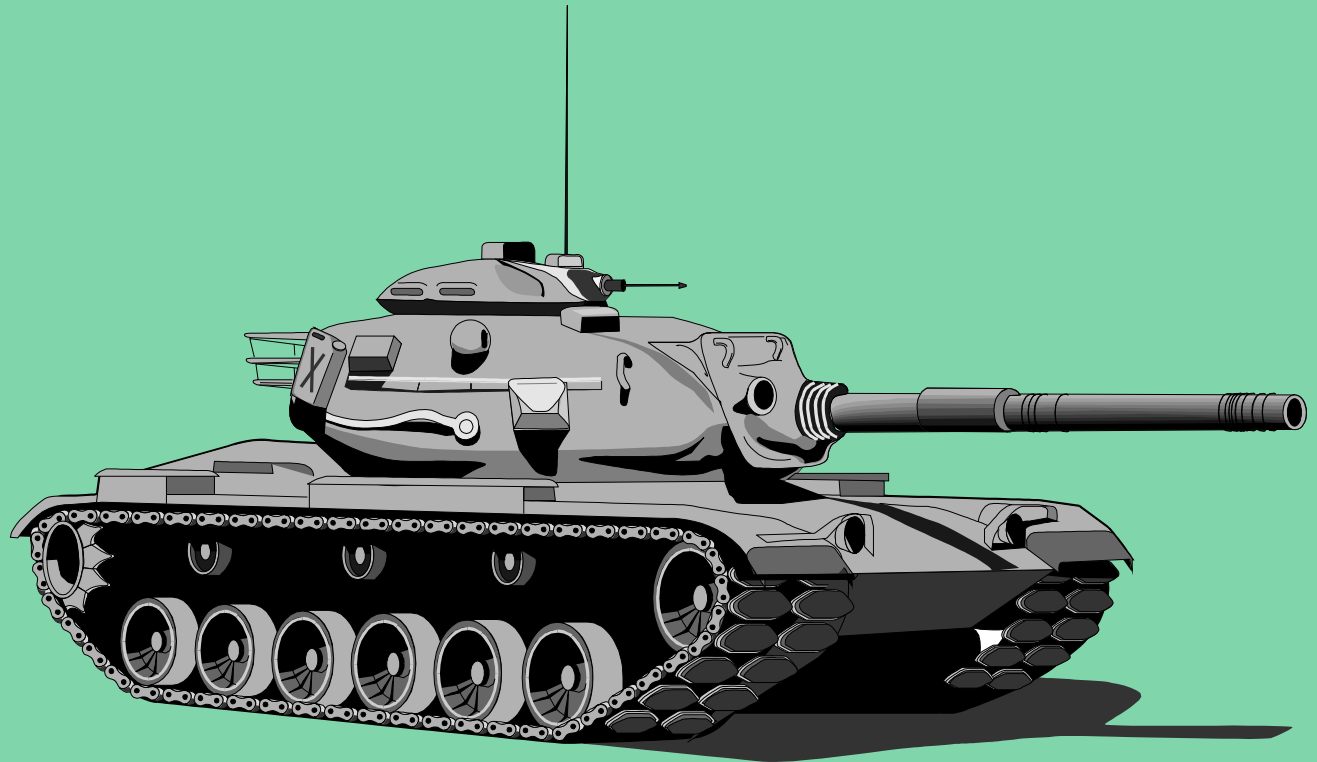


6. Develop a Plan

- **Keep It Simple**
- **Define Specific Goals**
- **Define Roles & Responsibilities**
- **Allow Flexibility to Changing Conditions**
- **Develop a Time-line with Specific Actions**
- **Follow the Plan**

“A good plan executed today is better than a perfect plan implemented next week”

-Gen. George S. Patton



7. Communicate-Communicate-Communicate

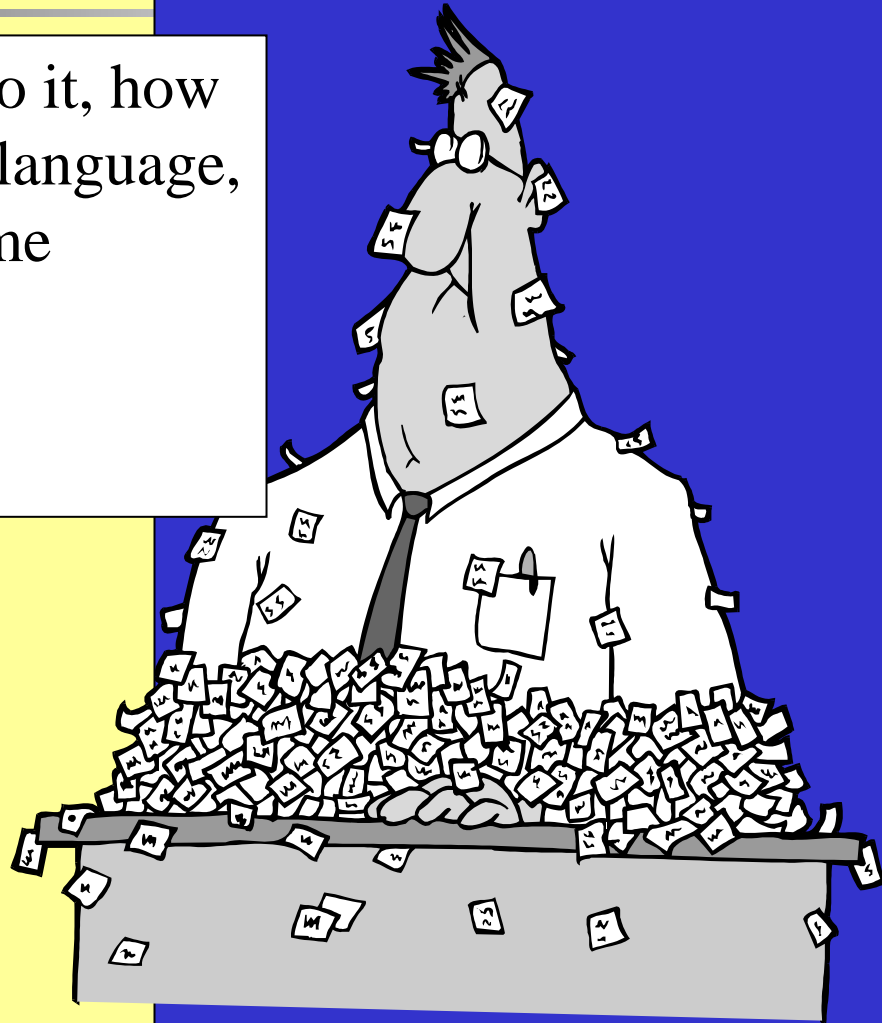


- **Allow Full Involvement & Disclosure**
- **Give People a Personal Stake in the Outcome**
- **Devise Constructive Change Announcements**
- **Define the Criteria for Success**
- **Describe How We will Get From Point A to Point B**

Be absolutely clear in your communications regarding change in the organization....

When you come right down to it, how many people speak the same language, even when they speak the same language?

- Russell Hoban



8. Develop Enabling Structures

- **Start with pilot program(s).**
- **Provide training and workshops.**
- **Develop new reward and accountability structures.**
- **May even need to reorganize or change physical work layouts.**

9. Institutionalize the Changes

- **Hire, Promote, and Develop Change Agents**
- **Implement Continuous Improvement**
- **Make the Connection between the Improvement and the Change**
- **Applaud and Reward Performance from Changed Behaviors and Work Habits**
- **Separate from the Past**

Implementing Change

Summary

1. Create an Environment for Change
2. Analyze the Organization
3. Create a Shared Vision
4. Create a Sense of Urgency
5. Support a Strong Leader
6. Develop an Implementation Plan
7. Communicate!
8. Develop Enabling Structures
9. Reinforce and Institutionalize Change

Note: Must be done in this order.....

How are Corporate Strategic Initiatives Implemented?



Through the selection, budgeting and implementation of projects!

- ✓ New product development
- ✓ Technology changes
- ✓ Response to regulatory issues
- ✓ Competitive (price/market) issues
- ✓ Improvement of products or facilities





**“Project management is the key
to organizational survival and
success”**

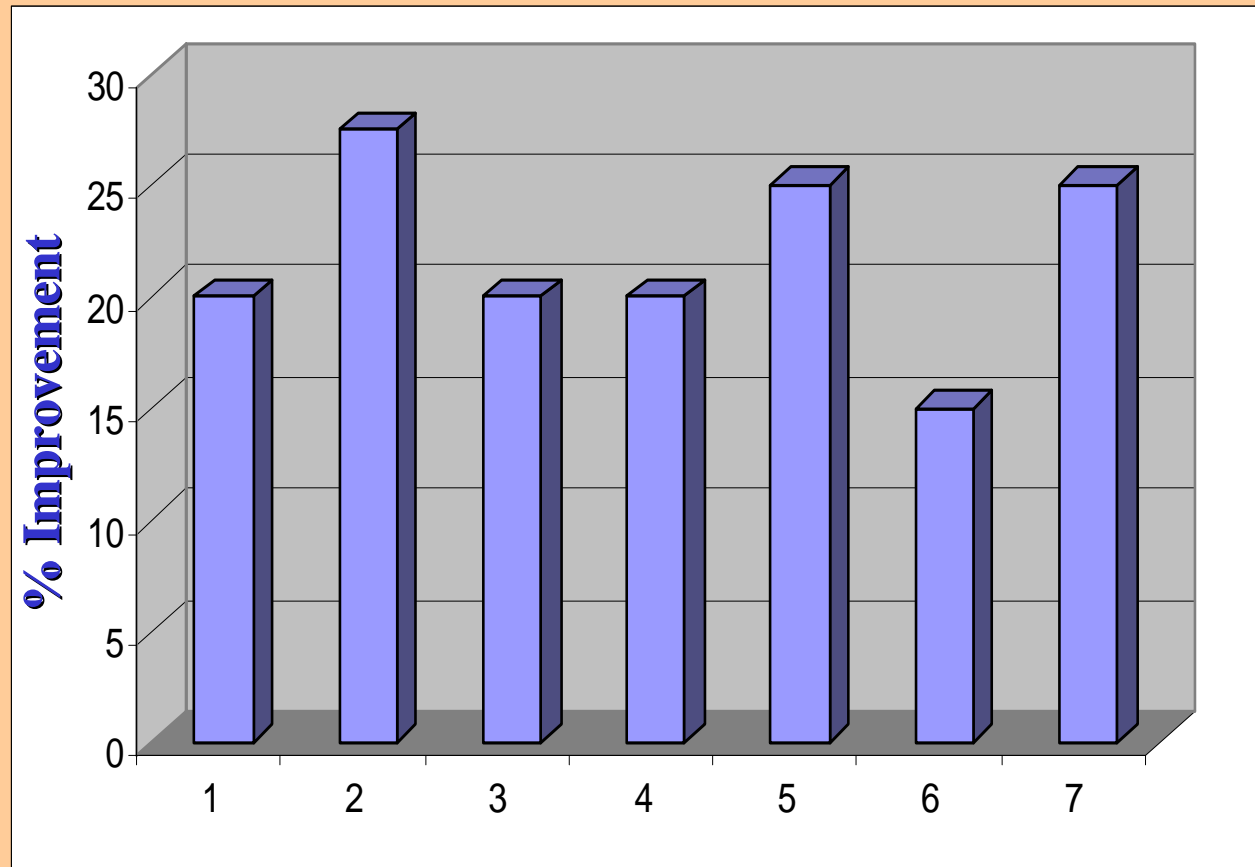
--Tom Peters



Why is Project Management Important?

Percentage Improvement due to Project Management Initiatives

- 1- Customer Satisfaction
- 2- Schedule Improvement
- 3- Budget Improvement
- 4- Productivity
- 5- ROI
- 6- Time to Market
- 7- Employee Satisfaction



Source: Center for Business Practices, 2001



What are the Implications of Change for Project Management?

- It means project success is more critical than ever—managing the triple constraint

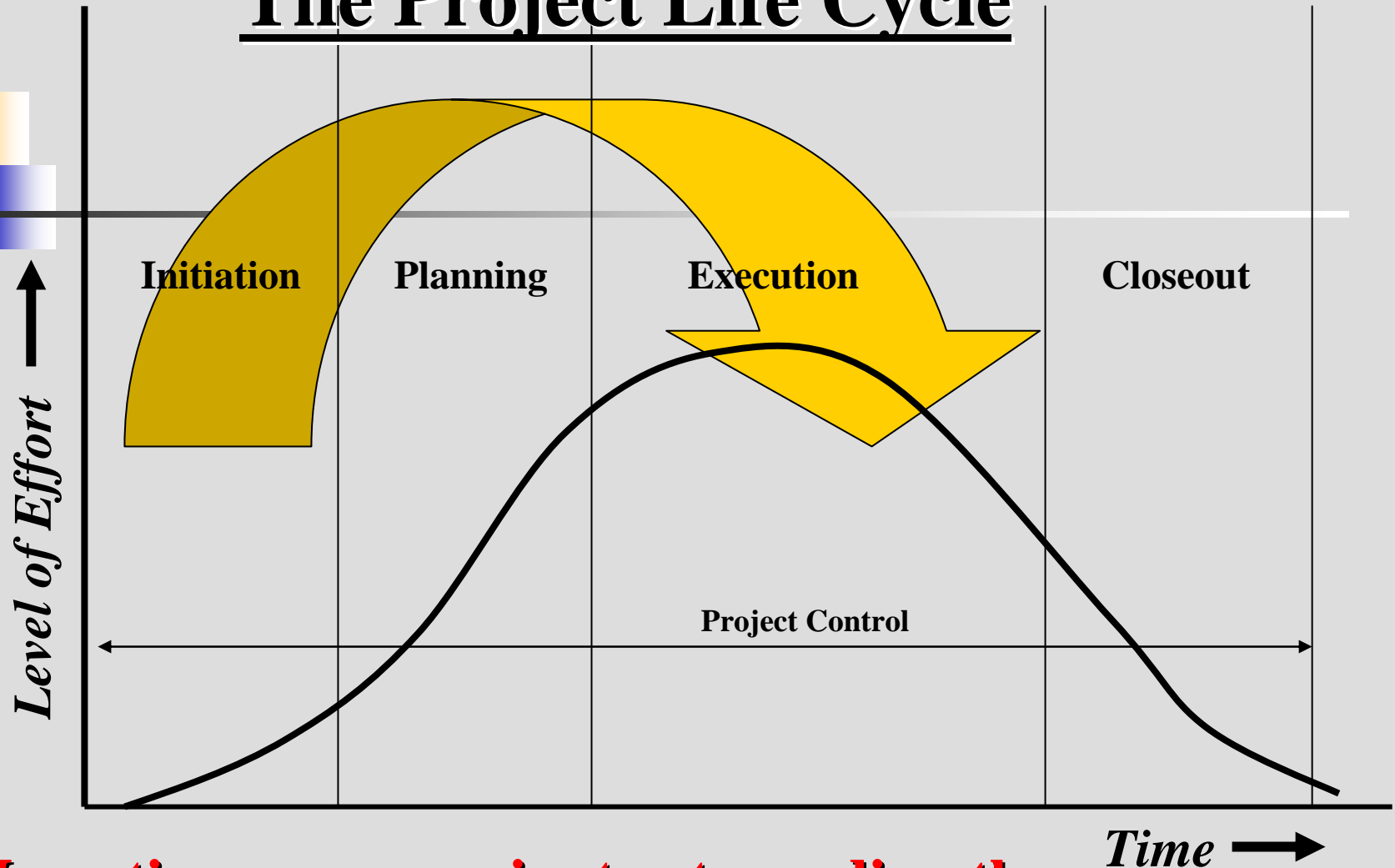
- Success needs to be carefully managed.

- Project managers need to be well-versed in management techniques and skills.

- The PM needs to keep the “big picture” in focus.

Structure vs. Chaos

The Project Life Cycle



Many times, companies try to go directly from concept to implementation.



Let's Talk About Project Management Initiatives

- **Change Management and Project Management are two different topics.**
 - **How can I get my employees/managers to use the tools and techniques of Project Management?**
1. **A PMO represents change**
 2. **A Process or methodology represents change**

Using Project Management to Drive Change



- **Adopting Project Management “Philosophy”
Company-Wide Involves Change**
- **Implementing a PMO (i.e.Change) is a “Project”**
- **We Can Implement Organizational Change
Using Project Management Techniques**



What Role for a PMO?

Many companies recognize that effective project management is a competitive advantage.

- ✓ **Developing and implementing a PM process.**
- ✓ **Guiding the organization in the improvement of PM.**
- ✓ **Provide support services.**
- ✓ **Provide a dedicated organizational structure.**
- ✓ **Implementing corporate strategy.**
- ✓ **Communications link to executive team.**



The Answer to improved delivery:

Process

Provides structure, methods, procedures and CONSISTENCY.

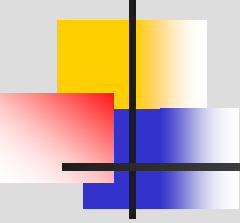
Tools

Provide the means and ability to achieve project success.

People

Provide the expertise, knowledge and talent.

PMO Critical Success Factors

- 
-
- Executive level support
 - Strategic focus-- PMO must align with company goals
 - Accurate and timely enterprise-wide reporting
 - On-going project support after kick-off
 - **Easy to use methodology**
 - **PMO must show value to the rest of the organization**
 - Clearly defined mission for the PMO

Next: Typical PMO Problems

Why do PMOs fail?

- The PMO was to be a temporary fixture—dismantled once the program was completed.
- Many upper level executives fail to understand what project management is all about and how it can help them—considered a “lower-level” tool.
- Project methodologies are too academic.
- The organization has a history of little accountability, lack of discipline on the part of PMs, and few requirements in the selection of project managers.
- Failed to use the PMO as an instrument of change.





PMO Implementation Issues

- **Start slow and do not “threaten” the other organizations.**
- **Marketing must be a part of the solution.**
- **DO NOT bureaucratize the PMO.**
- **Begin the PMO as a Project Support Organization.**
- **Do Not become the Process Police.**



PMO Implementation Issues

(continued)

- **Add Value to the organization.**
- **Have a direct correlation to the corporate strategy.**
- **Keep cost low—do not become a budget burden.**
- **Promote PMP certification: this will bring consistency across the organization.**
- **DO NOT charge back to functional areas for services.**

Comparing Change Management with Project Management



Change Management

Define Goals & Objectives
Comm. Need for Change
Reduce Barriers to Change
Create a Sense of Urgency
Obtain Small Wins
High Level Sponsorship
“Change Agent” must Lead
Change Agent -- Visionary
Develop a Change Plan

Project Management

Define Goals & Objectives
Communications Planning
Risk Review & Mitigation
Plan Around a Schedule
Demonstrate Progress
High Level Sponsorship
Project Manager Must Lead
Project Manager-- Big Picture
Develop a Project Plan

Individual Skills—The Project Manager



An actual job posting recently seen on Monster.com:

Position Title: Sr. Program Manager

Professional Requisites: 10+ years in software development; 5+ years in management of software development and teams.

Position Description

Our client is looking for an experienced PM to head up the entire software development and scientific teams. This position will report to the VP, Services. The job will include the following responsibilities:

Qualifications

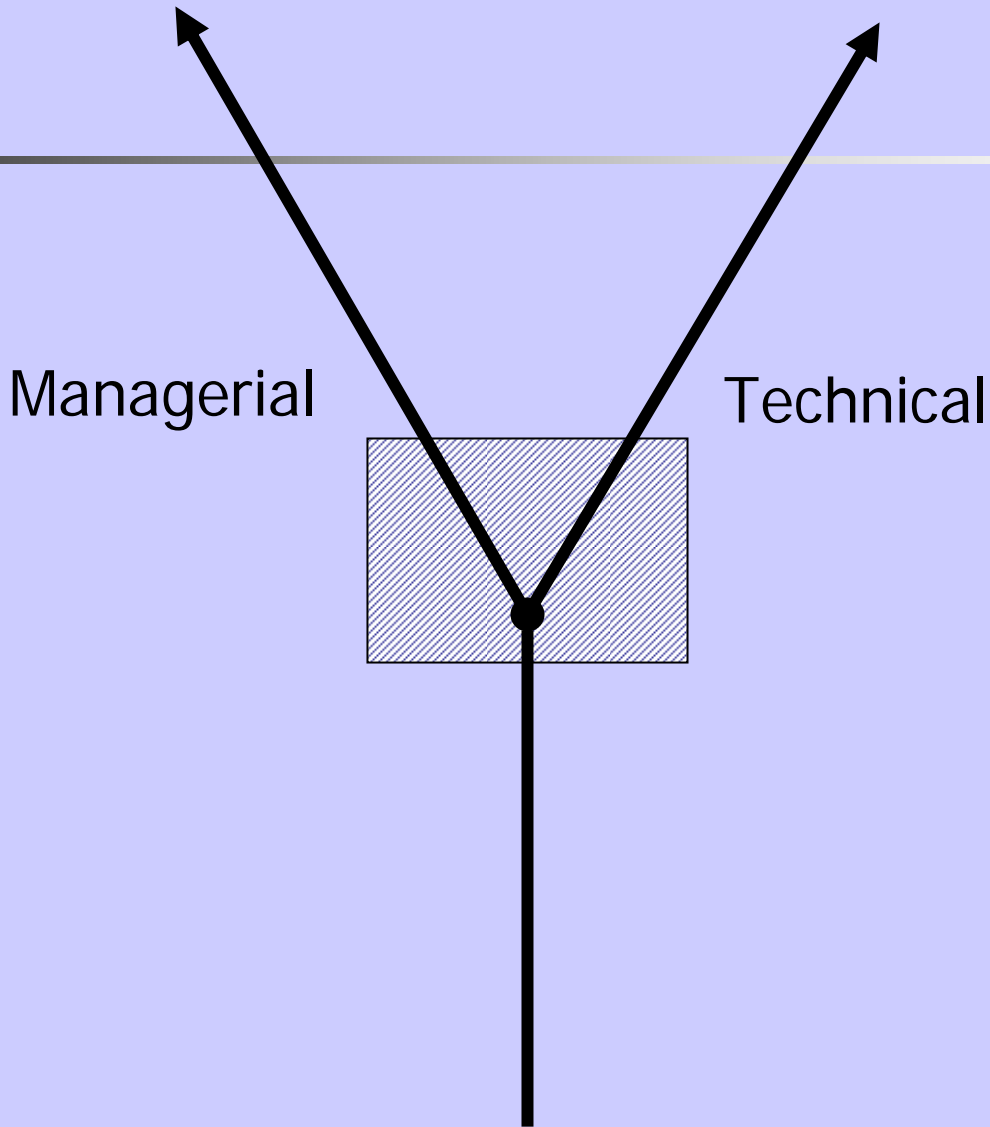
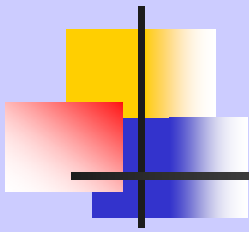
- **Strong management skills** is a must - should have managed teams in excess of 50 people; must be organized, disciplined, and able to manage multiple teams across geographies (including internationally)
- **Design, implementation, and management of imaging and computer vision systems**
- **Design, implementation and management of data warehousing and analytical systems**
- **Ability to integrate and work within in a small, dynamic, and entrepreneurial organization** is essential

Position description, continued

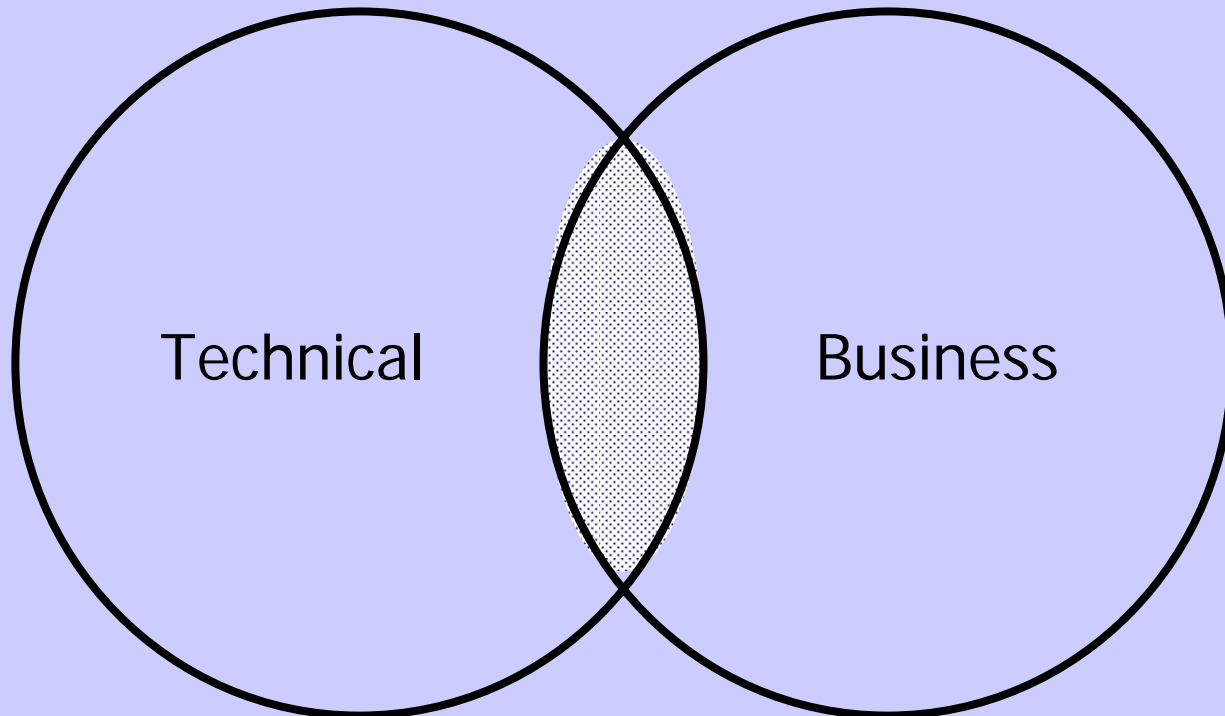
- **Strong project management skills** and the ability to manage multiple product development streams, along with occasional operations-support projects.
- **In-depth knowledge of object-oriented processes,** methodologies and software product development/release best practices.
Experience **negotiating, structuring and managing OEM agreements** with software toolset partners (embedded modules, SDK's, etc).
- Ability to translate customer requirements into scalable, reliable, maintainable and upgradeable technology product lines.
- Ability to direct and improve **quality assurance** efforts.
- Ability to work closely with the executive team, and coordinate releases in support of the executive team's goals.
- Proven experience managing an ongoing budget

Key problem: requires extensive business savvy & technical skills which are, generally, mutually exclusive.

Typical Technical Career Path



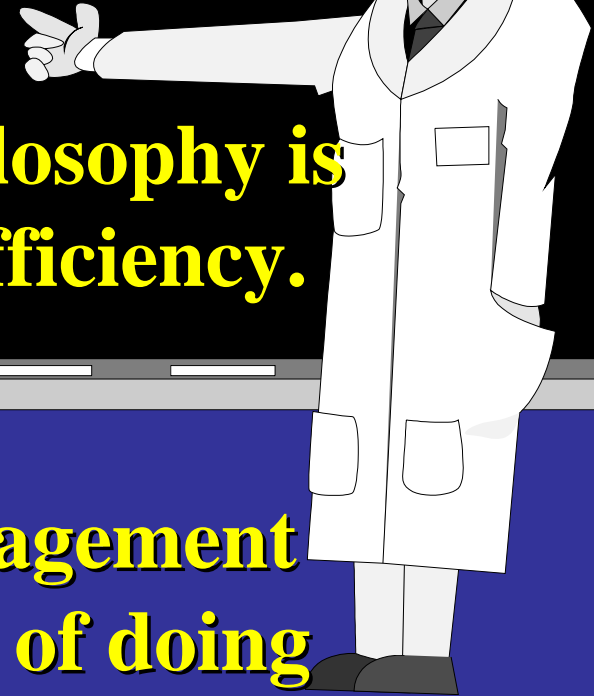
Where Should We Get Project Managers?



PM Core Competencies



Conclusions

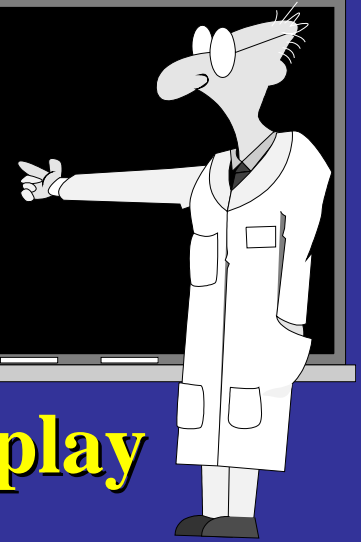


✓ **A Project Management philosophy is important to organizational efficiency.**

✓ **Implementing Project Management methods will mean a new way of doing things. Therefore, implementing a PMO involves organizational change.**

Conclusions

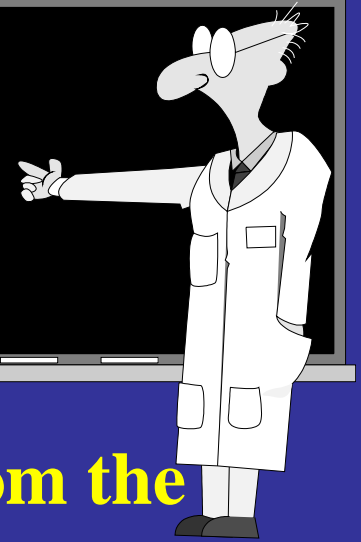
(continued)



- ✓ **Change Management will have to play a part in the process.**
- ✓ **Change Management is a project.**
- ✓ **A full project plan should be developed for any major change effort.**
- ✓ **Project Managers are well-suited to lead change management efforts.**

Conclusions

(continued)



- ✓ Three elements to receive strong focus from the beginning: cultural, political, technical.
- ✓ Involvement of stakeholders is critical for gaining buy-in and implementing change.
- ✓ Objectives and mission need to be clear and communicated repeatedly.
- ✓ Use the 9 steps outlined earlier for effective change management results.

Dilbert, part II

LET'S GO AROUND THE TABLE AND GIVE AN UPDATE ON EACH OF OUR PROJECTS.



S. Adams E-Mail: SCOTTADAMS@AOL.COM

MY PROJECT IS A PATHETIC SERIES OF POORLY PLANNED, NEAR-RANDOM ACTS. MY LIFE IS A TRAGEDY OF EMOTIONAL DESPERATION.



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IT'S MORE OR LESS CUSTOMARY TO SAY THINGS ARE GOING FINE.



I THINK I NEED A HUG.



Thank You

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