Major Change – from Failure to Success

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Focus on Fitness

We live in a time with a new emphasis on health and fitness. We exercise, diet, and watch health and fitness shows on TV. We stay fit so we'll be in good shape to respond to the demands of our everyday lives.

Yet, even with all of our focus on fitness, few of us would consider entering a triathlon, trying out for Cirque du Soleil, or playing professional football. Yes, we are in shape for what we do every day, but not for highly specialized and demanding athletic activities.

Similarly, your employees have the basic skills and processes necessary to achieve their day-to-day objectives – they are "in shape" to do their jobs. But they are not ready for the highly specialized and demanding activities involved in a "major change" project. This type of initiative normally crosses departmental boundaries, impacts the way in which an organization does business, changes the way people do their jobs and interact with each other, and disrupts the existing organizational culture. Examples include implementation an enterprise system (such as ERP or CRM), changing a broad spectrum of business processes, integrating a large acquisition, and implementing a new business strategy.

What would you do if decided you wanted to join the Boston Red Sox? You'd get a trainer, who would evaluate the shape you're in and prescribe a regimen of diet and exercise to get you ready for your big game. And you wouldn't have just a one-time visit to the gym. Your trainer would put you on a long-term program to get and stay in shape.

An analogous set of activities is required for individuals and teams about to start a major change project. Based on the challenges of a particular project and the current skills in an organization, an "exercise" program needs to be mapped out to get people in shape. And that program would include activities that would stretch over time – in fact, over the entire life of the project.

Importance of Project Fitness

More often than not, major change initiatives face troubled lives. The great majority of major change projects in corporate and public America are "challenged." Studies have shown that roughly only one quarter of such projects are completed on time and within budget – one-half are over time, over budget, or end up stripped of originally specified features, and the final quarter are scratched long before they reach the finish line. If a sports team had the record of such an initiative, it would be far from a world championship – it wouldn't even have a winning season!

The seeds of failure are planted long before a project is even begun. They are embedded in an organization's habits and culture – organizations simply aren't in shape to take on major change.

But major problems and failures are not inevitable. Just as a trainer can diagnose the flaws in and athletic performance, a project expert can identify and root out those seeds of failure before they have a chance to germinate.

In our three decades of experience in designing and managing large-scale projects, we have found six seeds of failure to be primary and almost always present:

- Organizations simply do not have enough resources to do the job
- Their people – the ones they do have – do not have the necessary skills
- The do not have standardized processes in place – e.g., for project management, meeting management, and/or program governance.
- They fail to lay needed, up-front groundwork
- Their staff members are subject to conflicting demands
- They give their staff members mixed messages that yield counterproductive results

Insufficient Resources

In the current business world, with downsizing, outsourcing, and cost containment, many organizations have barely enough resources to support

the day-to-day needs of the business. Organizations are not realistic about the demands of major projects and their often immense and unexpected impact on overall human resources. Such projects require not only staffing a core team, but also undertaking a broad range of cross-organizational support activities that entail time and effort – sometimes at extraordinary levels.

Organizations often fail to identify and make available to projects all of the skills (i.e., individuals) that will be required. And when such individuals are identified, they are often not made sufficiently available to projects on a timely basis. The late addition of resources means that those staff members are not up to speed when they are needed, and have not fully "bought into" decisions that impact them and their areas of responsibility. A lack of staff resources can lead to unperformed, poorly performed, and/or late tasks – as well as a lack of commitment and buy-in.

Combining the need to support day-to-day operations and with the direct and indirect staffing requirements of a major change project creates a level of effort and stress that is beyond the capacity of most organizations.

Staff Skill Shortfalls

Organizations are seldom prepared to undertake major change initiatives. They have neither the staff members with needed skills nor the processes in place to support such undertakings.

Staff in most organizations excel – or are at least reasonably competent – in performing everyday, core business functions. But few, if any, are expert – or even capable – in managing major, transformational projects. What is worse, they don't know that they don't know – which makes it doubly hard to manage such projects successfully. Major change projects require a new set of skills, which can include:

- Dealing with and managing third-party vendors and consultants – in areas in which the current staff has little or no experience
- Subject matter skills in new technologies, techniques, and/or processes
- Operational skills, including document and documentation control, meeting management, and matrixed structures

For project success, these skills must be added to a staff's repertoire via training or "imported" from third parties.

Process Shortfalls

Organizations are also ill prepared to manage a large change project. Explicit and implicit processes exist to carry out day-to-day work, but not to undertake one-time, major project efforts. Specific project-managements-related issues that often exist include:

- No definition of the major tasks and detailed activities that must be performed to complete the project successfully
- Lack of defined decision processes and who must be involved in decision making
- No standards regarding what documents and records should/must be created, captured, and stored
- Ineffective and incomplete plans for when and how other parts of the organization must be linked into projects
- Lack of effective, broad, deep, two-way communication processes to ensure that messages get out – and are heard
- Poor at anticipating and planning for contingencies

Without skilled staff and effective processes, it is no wonder that the track record of major change projects is so dismal!

Missing Up-front Groundwork

Success lies much more in the preparation than in the event. The success of major change projects requires a significant, up-front effort to agree on project objectives, tasks, decision processes, and projected resource levels. The detailed game plan must be in place well before the game begins. Because they require so much time and human resource, these up-front activities are almost always short-changed, which means that activities and tasks come up short or fail. For successful projects, sufficient time must be allocated to these up-front activities.

In addition, organizations seldom have established governance structures designed to support major transformational efforts. Such efforts need a core team, work groups, a steering committee, and management groups, each with a clear charter and explicit deliverables. Designing such governance structures is not difficult – for those with the experience to do so.

Starting a major change initiative without adequate preparation is like building an office tower without first preparing the site. It is obvious from the start that the tower – or the project – will likely collapse.

Conflicting Demands

Closely related to the issue of insufficient staff resources is conflicting demands on individual staff members. But here the focus is on the individual, and the issue boils down to how personal time is allocated. For the individual, this issue is often implicit and very complex.

- Do I do what I'm told to do, or what my experience says is required for job success (i.e., salary increases and advancement)?
- Do I listen to my full-time boss or to my part-time project manager?
- How much time do I spend on my regular job, and how much on this special project?
- Do I believe enough in the project to give it my all, or do I think that won't be in my long-term self-interest? Or worse, will being seen as involved with the project become a drag on my future career in the organization?

Management must make its expectations clear to guide staff members, reinforce those expectations, and support staff members as they work to meet them.

Mixed Messages

Organizations are constantly sending multiple signals to staff members from various points of origin. When these messages are in alignment, they have their desired impact and effect. But when they are not aligned, the result is conflict, and possible chaos.

Messages are sent and received from many different sources.

- Statements by management, through which they express their expectations
- Management's actions, which send subtle signals to staff members
- Organizational media such as corporate newsletters and various memoranda, through which staff members learn details of enterprise activities
- Organizational processes, which can enable or block progress
- Performance measurement and reward systems, which influence directly what people choose to do and not do

How often does management say one thing and do another? How often do we read something in a document that is contrary to what a manager has said? And how often are the things we ask people to do at odds with the things for which they are rewarded? For success in major change projects, all of these messages must be carefully thought out and aligned.

Successful Change

Think back to "troubled" change initiatives of which you've been a part, and consider the seeds of failure discussed above. In your own experience, which of these seeds were in play? What was done to mitigate them? Was it enough? What would you do differently the next time?

You and your organization are *not* doomed to have "troubled" change initiatives! With forethought, resources, and adequate preparation, you can significantly improve your batting average – and have a winning season!! The result won't do away with the pain of change, but it will eradicate the pain of failure.

Checklist for Project Health

To move from project failure to success requires a "Healthy Project." For how many of these statements is your answer, "Yes?"

Yes   No

- ☐ ☐ Management's objectives are clear and understood across the project
- ☐ ☐ Requirements are complete and realistic, given the resources and timing
- ☐ ☐ Project organization and responsibilities are clear and appropriate
- ☐ ☐ Staffing levels and expertise are adequate to meet the objectives and schedule
- ☐ ☐ Project management processes and tools are in place and properly employed
- ☐ ☐ Two-way communication among all stakeholders is adequate and effective
- ☐ ☐ Meetings are planned and run effectively and efficiently
- ☐ ☐ Decisions are made and communicated appropriately
- ☐ ☐ Potential pitfalls are anticipated, and contingency actions developed
- ☐ ☐ Opportunities for schedule and budget reduction are aggressively pursued
- ☐ ☐ Management's participation in the project is adequate and positive

By filling deficiencies uncovered through this checklist, you will be helping to position your project for success.