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SPECIAL SECTION

# EMBRACING

# CHANGE

As organizations evolve to compete, change management is front and center. Project professionals reveal what it takes to pivot a project—or an organization—in a new direction.

ILLUSTRATION BY DAVE MURRAY

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# BUILT TO TRANSFORM

Big business and big changes go hand in hand. A few key forces are driving today's change management mania.

**BY KATE ROCKWOOD**

**T**he pace of change is unrelenting. It's not just new technologies wreaking havoc on old business models: Organizations are being challenged to adapt to geopolitical and demographic shifts, climate change, mergers and a host of other factors. It's all forcing project professionals to lean on their change management skills to deal with shifting stakeholder, regulatory and financial environments.

"I've never seen the pace of change in my industry as it is right now," says John Donohoe, PMP, PgMP, PfMP, director of the project management



office (PMO) and change management at the global aviation organization Star Alliance, Frankfurt, Germany. “Especially for project managers, there’s never been so much change.”

All the flux is about more than just keeping tabs on requirements, guarding against scope creep and keeping the team up to speed. Traditional change management skills remain an essential component of any project professional’s toolbox—but a growing number of organizational change initiatives demand complementary skills. Organizations are sponsoring major change initiatives as they pivot their strategy and look to build a leaner, more change-ready operating profile.

Yet any major change initiative is fraught with uncertainty. For example, just 5 percent of companies sponsoring digital transformation efforts say the initiatives achieved expectations, according to a 2017 global survey of 1,000 companies by Bain & Co. Conventional transformations were more than twice as successful, respondents said—12 percent hit the mark.

Executives are well aware of the considerable change management achievement gap—which points to a huge opportunity for project professionals to prove their value. According to PMI’s *Achieving Greater Agility: The Essential Influence of the C-Suite* report, published in November, 92 percent of executives say agility—the ability to pivot quickly to respond to a market opportunity or threat—is critical to business success. But just 27 percent of executives see their organization as highly agile.

To bridge the gap between required and realized change, organizations must be willing to rethink how they approach change management. And project professionals must be ready to strengthen their skills and sharpen their strategic mindsets, says Jen Skrabak, PMP, PfMP, Los Angeles, California, USA. She was head of the strategic portfolio delivery office at Cigna until January and is now vice president of the strategy execution office at Strategy+PM

## CHANGE-MAKER

# Accountability Matters



**Sitanshu Dash** is a project manager at Standard Chartered Bank in Singapore.

One thing I’ve learned is that change management looks different depending on the industry and organization. In smaller organizations, the culture tends to be more open to change. Even if people have different roles, they’re able to look at the same goal and understand what they need to do. But in a larger organization, implementing change can feel like balancing a thousand plates.

At my current organization, I focus on executing omnichannel marketing projects. The banking industry is very stringent about change management policies versus other industries, because compliance is such a big deal. For a single marketing campaign, I might need to get 100 compliance approvals, including from different countries where there’s a different regulatory process in each place. That slows things down.

As a project manager, your role may not be sexy, but it’s important to driving successful change. I start by listing key deliverables and stakeholders within the change cycle who need to be accountable. Make sure every part of the change is a deliverable and that people have personal responsibility to deliver. Document the entire process. Success is about following up and getting everybody involved in the change process to be accountable.

Implementing organizational change can have a domino effect on rules or systems already in place. The challenge is to look at all the downstream and upstream systems from that change and ensure that a proper regression is done. If the change is beneficial to one part of the system, it should not be detrimental to another—you have to step back to prevent negative consequences that prevent change from sticking.

When I was a software engineer at Infosys, I worked to implement campaign management systems at Apple. Change management was very well done at that company. You had to alert every department, downstream and upstream, of any impending changes. It was a very transparent process. Every person had a very clear set of responsibilities that had to be checked off, and there was accountability at each level of the system.

It was cumbersome, and the downside was I couldn’t get a change through in a week or two. But there was a clear upside: When I implemented a new system, it had been highly scrutinized by all affected stakeholders. The changes didn’t backfire—they became permanent. As a project manager, that’s what you want to see.

**Success is about following up and getting everybody involved in the change process to be accountable.**

LLC. “In the era of organizational transformation, project managers need to transform themselves by developing skills to challenge an organization’s current path,” she says. Traditional project management skills such as developing schedules are table stakes. “Project managers need to realize that the most valuable skills are synthesizing complex information and creating a business vision. And they need to be able to lead large groups of people through the development and execution of plans to translate the vision into reality.”



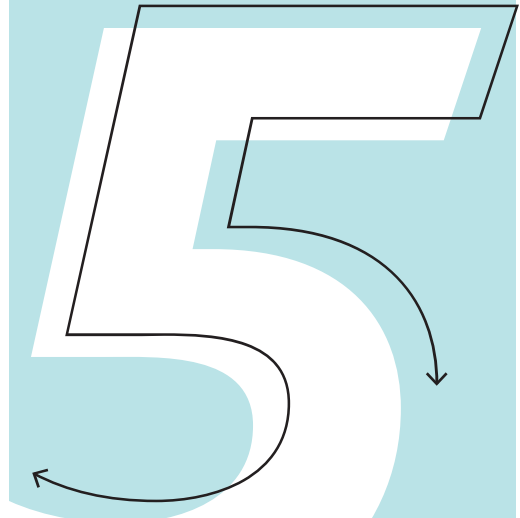
**“Especially for project managers, there’s never been so much change.”**

—John Donohoe, PMP, PgMP, PfMP, Star Alliance, Frankfurt, Germany

#### KEEP UP WITH THE FLUX

Here’s a staggering statistic: By 2043, there will be an additional 2.4 billion middle-class consumers in the world, according to McKinsey. If that stat alone weren’t enough to send shockwaves through most C-suites, consider the talent challenges that come on the heels of global demographic shifts and rapid technology changes. Finding the right talent for the right projects is only going to get harder; a dearth of IT project talent in many areas might drive an uptick in freelance or contract positions and a surge in virtual or remote teams.

But figuring out if an organization has the change-ready culture, PMO support and properly trained talent to master change initiatives is easier than one might think, says Bruno Cabuto, São Paulo, Brazil. A PMO manager at the online comparison shopping service Buscapé until early this year, he is now an agile transformation consultant at Abu Consulting. Project professionals should start by asking the right questions. “Can people articulate what the vision of the PMO is? How do they talk about project managers and what went right or wrong on the last project? Is the person approving the project the same as the one approving decisions throughout it?” In just a few conversations, he says, it is possible to start developing a “heat map of whether or not an environment is really friendly to change.”



## Categories of Change

Researchers at the business school IMD reviewed dozens of large-scale organizational transformation projects. They found that the initiatives tended to fit into one of five areas.



**Global presence:** extending market reach



**Customer focus:** providing enhanced insights or integrated solutions



**Nimbleness:** accelerating or simplifying processes to become more agile



**Innovation:** incorporating fresh ideas and approaches to improve the ability to pounce on opportunities



**Sustainability:** becoming greener and more socially responsible



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Establishing such a heat map isn't just an abstract exercise in defining an organization's culture. Change-readiness can determine whether an enterprise-wide change project is completed on time—which in turn affects revenues, for better or worse. A 2018 MuleSoft survey of 650 IT decision makers showed that 4 out of 5 businesses (81 percent) anticipate an adverse impact on revenue in the next year if their digital transformation initiatives aren't completed as planned.

### ANATOMY OF A CHANGE INITIATIVE

So what separates a doomed transformation project from one destined for success? After parsing the intended scope and purpose behind dozens of large-scale change projects, researchers at the business school IMD noted last year that initiatives that delivered intended benefits were approved with an eye on business value. This factor was more important than how well the project

was implemented—whether it was delivered on budget and on time.

At a portfolio level, what mattered most for finding the sweet spot of change value was balancing growth with efficiency. Companies that chased only change projects aimed at greater efficiency and streamlining could cut operations to the bone, the researchers found—but they stymied growth. And those that pursued only growth (through, say, a bevy of experimental product-development projects) risked their financial stability.

The starting point for any effective and lasting change is having a vision, says Alejandro Gabriel Aramburu, PMP, co-founder and director, Innova PMO, San Luis, Argentina. "Only then can project professionals really plan to execute the necessary change management steps to fulfill it." And if a change initiative doesn't deliver expected benefits? "We evaluate and make the necessary portfolio adjustments," he says. In other words, change again. **PM**

**The starting point for any effective and lasting change is having a vision.**

—Alejandro Gabriel Aramburu, PMP, Innova PMO, San Luis, Argentina

What makes cha

# NAVIGATING FRICTION





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## Change stick? Project pros share hard-won tips.

BY KATE ROCKWOOD

**T**hink about the project failures that have happened in the past 12 months. Now think about why they happened. When that question was put to senior project leaders in a survey for PMI's 2018 *Pulse of the Profession*<sup>®</sup> report, 28 percent cited poor change management as a primary cause of failure.

It's a cliché for a reason: Change can be hard. But it doesn't have to be. Three project professionals plumb their experiences to share lessons learned and good practices when managing change.



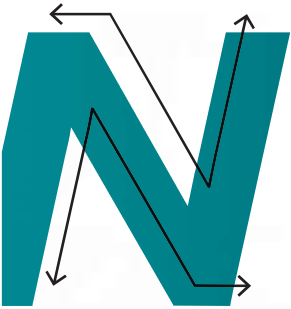
**Fred Wenger, PMP**, associate vice president of program and construction services, Louis Berger, Washington, D.C., USA



**Alejandro Gabriel Aramburu, PMP**, co-founder and director, Innova PMO, San Luis, Argentina



**Jan Mandrup, PMP**, head of agile transformation Asia, Manulife, Hong Kong, China



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# W

**What's an "Aha!" moment that stands out for you in terms of challenges you've encountered during change initiatives?**

**Mr. Wenger:** I was the project manager on a transformation team working to improve an organization's performance in a specific functional area. We had a very large group of stakeholders, with differing views on the project. After one team meeting early in the project, one of the senior stakeholders asked me: "Are we really trying to change or just spend money to make ourselves feel better?" I realized then that some people involved in the project weren't as committed to the outcome as the executive sponsor—and that's probably true of all organizational transformation projects.

**"One of the biggest mistakes we can make with transformation projects is to expect that everyone's reaction will be like the project leader's reaction or the executive sponsor's reaction."**

—Alejandro Gabriel Aramburu, PMP,  
Innova PMO, San Luis, Argentina

**Mr. Aramburu:** I've found that one of the biggest mistakes we can make with transformation projects is to expect that everyone's reaction will be like the project leader's reaction or the executive sponsor's reaction. People are different, and they approach and respond to changes very differently—both professionally and emotionally. I had the opportunity to work on a change initiative in a government organization. Managing the changes themselves was very straightforward. But to prepare the affected people to really understand and be part of the organizational change, we had to prepare them in a psychological way. So the project plan included change workshops led by psychologists to work through any fears these stakeholders had.

**What's a common misperception about change management that can derail projects?**

**Mr. Mandrup:** In my experience, change management is too often thought of as a checklist. It's like,



okay, we need a stakeholder assessment and we need a communication plan. But once the project is in full swing, people are so focused on executing their deliverables that there's less focus on executing true change management. Someone will say: "I did an assessment. Carl is a key stakeholder, and he's resistant to change." Fantastic. What did you do about it? You spend time prepping the methodology steps but once you get into executing, it sometimes gets forgotten.

**Why do you think a focus on change management can lose steam once the project is in execution mode?**

**Mr. Mandrup:** It's often a capacity issue. I have



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often seen large plan-driven projects aren't properly resourced, or timelines are too tight. Perhaps the project manager has to gather detailed information from certain stakeholders about the change being implemented—but those people don't have the time to provide lots of detail. Also, often the project manager has to take on the role of change manager—and then change management tasks will be deprioritized. The project manager must insist on the adequate focus and resources to support the change management work.

**Mr. Aramburu:** Yes, that's such a common point of failure, right in the planning stage. Either for political reasons or external requirements, the proj-

# 3

## Warning Signs

In a survey for PMI's 2018 *Pulse of the Profession*® report, 72 percent of senior executives said that creating a change-ready culture in the organization was a very high, somewhat high or medium priority. At many organizations, there's still plenty of work to be done. These red flags signal that an organization isn't change-ready, says Fred Wenger, PMP, associate vice president, program and construction services, Louis Berger, Washington, D.C., USA.

**1 Silence at the top:** For change initiatives to succeed, those in the C-suite must be vocal champions—before, during and after a particular initiative is announced. "If the organization's leadership isn't actually committed to changing the organization, it becomes readily apparent to the staff and stakeholders," he says.

**2 Too much outsourcing:** There's nothing wrong with leveraging outside experts to strengthen skills or identify weak spots in an organization. But when executives believe they can outsource the entire change management process, alarm bells should start ringing. "Leadership of a change process should belong to the organization because the organization must do the hard work if it is to generate and implement real transformation," he says.

**3 Devalued project management:** Do project sponsors act as partners and advocates when a project is under pressure? Are project managers handed a set of directions rather than brought into the decision-making process early? If a project professional is working in an environment where project management isn't respected, then change management likely won't be either, he says.

ect manager agrees to really tight and unrealistic timelines. But how change unfolds can be affected by so many factors—right down to the resources distributed to the team. If you have senior stakeholders who are millennials, the ability to deal with change is almost in their genes. But in certain industries, and often with older stakeholders, any change can feel painful. Building buy-in requires more actions—and the project schedule needs to reflect that.

**Mr. Wenger:** Speaking of time, I think project managers can be more empowered in terms of how they leverage the executive sponsor's time and attention. Project managers are closest to the process, the stakeholders and the challenges—they're in the best position to know when the executive sponsor should be engaged. You want the highest return for whatever time a sponsor spends with the project team. The easiest way to achieve that is to clearly delineate from the beginning what requires sponsor presence and what the project manager has authority on. After that senior stakeholder asked if we were "really trying to change," I should have asked the sponsor to directly intervene to reinforce the need for change. It could have improved the outcome of the change initiative.

**"In my experience, change management is too often thought of as a checklist. It's like, okay, we need a stakeholder assessment and we need a communication plan."**

—Jan Mandrup, PMP, Manulife, Hong Kong, China

## CHANGE-MAKER

# The Art of Persuasion



**Ana Paula Severino, PMP,**

is a change management consultant and project manager at AP Elvas Consulting in Rio de Janeiro, Brazil.

In Brazil, we are just beginning to see change management as a necessary skill. It's not part of organizational cultures yet. The great challenge is that many organizations do not make enough time to understand people's needs. Those pushing change have difficulty building trust with employees.

When I worked at Hewlett Packard Enterprise, I managed a project to put a new business operations system in place at a client's plant in the south of Brazil. The big challenge was that this plant's workforce was relatively isolated from the organization's other facilities around the country. Employees were far from the company's leadership in Brazil, and they were using their own system to track operations in a decentralized way. Adopting the new system would mean their plant's operations would be tracked in tandem with other company facilities—it was a huge change for them.

The challenge was to convince them of the benefits of the change and show them the problems the company would face if the status quo continued. It took months just to convince employees how the change would work, why it was important and why they should prioritize it. My team had to hold many, many meetings to explain what was needed.

Our training period was very long. My team created a practical plan to help employees transition to the new system. After each weekly training session, we would introduce an exercise that would require people to spend at least an hour in the computer lab practicing the new system. They had to present evidence that they used the system and understood how it worked.

Regular communication beyond meetings throughout the project was very important. We kept the project progress as clear as possible, maximizing face-to-face interactions and regularly announcing project news, events and challenges. Every month we emphasized a different project need.

What I have come to realize is that effective change management requires becoming a part of the team that will experience the change. Very often, leading a successful change requires altering a company culture. That takes time. On this project we had to help people feel integrated into the broader company before they would embrace the new centralized system.

While challenging, the project was ultimately successful. Sometimes change management comes down to taking the time to convince people. It's hard work. But if you believe in the project and in people, it's worth it.



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**“People need to know what is happening and why, and even more important, they need to be able to provide feedback to the project team.”**

—Fred Wenger, PMP, Louis Berger, Washington, D.C., USA

**What final words would you offer to project professionals who are struggling with or intimidated by change management?**

**Mr. Aramburu:** Always remember that the process very rarely goes as planned. If you’ve hit an issue, the secret to change is to keep pushing forward—but only after you stop, review, replan and then restart stronger than before. If you do all of that before diving back in, you’ll know something you didn’t know before.

**Mr. Mandrup:** With so many projects today being executed with agile approaches, it’s probably worth noting that within the agile world there’s a completely different way of looking at change. It’s less about figuring out where the resistance is and how to mitigate it, and more about involving the right stakeholders in the iterative way of working. This

includes providing constant feedback to stakeholders on both the product that is being built and the process. It’s interesting to see how some people respond to the level of involvement and transparency that agile projects involve.

**Mr. Wenger:** This is a small point, but I’ve seen it make a real difference: People need to know what is happening and why, and even more important, they need to be able to provide feedback to the project team. Sometimes communication plans include detailed guidance for pushing information out, but they don’t make clear how people affected by change can deliver feedback to the team leading the change process. When you address the issues raised by those who are affected, you gain buy-in and support. And that’s often where “the rubber meets the road” on a change initiative. **PM**

# PERSON TOUCH

Project professionals need to sharpen their people skills to become change management aces.

BY KATE ROCKWOOD

**T**he ability to make change stick can be a make-or-break proposition for organizations and their project teams. Whether overseeing a technology transformation impacting the entire enterprise or a new product initiative with ever-shifting requirements, project and program managers know that recalibrating communication and stakeholder management approaches to drive change is mandatory. And they plan for new approaches from the get-go. Because when everything is in flux, skill flexibility is key.

“Project professionals should review the need for change management during project initiation and include change management activities in the project plan to make change sustainable,” says John Donohoe, PMP, PgMP, PfMP, director of the project management office (PMO) and change management at Star Alliance, Frankfurt, Germany. “This is a critical aspect of a project that only now is being fully appreciated.”

## SHARED VISION

Farm Credit Mid-America, an agricultural lending cooperative that supports farmers in the U.S. states of Indiana, Kentucky, Ohio and Tennessee, illuminates the power of people skills when it comes to pushing enterprise-wide change initiatives forward.

The organization is in the midst of a six-year change ini-

**A** initiative designed to deliver comprehensive improvements by 2020. The program focuses on how Farm Credit Mid-America can more efficiently meet the needs of customers through people, process, technology and data, says Mike Seawood, PMP, program manager, Farm Credit, Louisville, Kentucky, USA. From the start, the company's senior management believed it was imperative that Farm Credit Mid-America's 1,100 employees and 100,000 customers have a more fluid relationship with the technology that drives the business.

Yet the software the organization was using to originate and underwrite loans—the system that helped decide the types of loans farmers will receive—was outdated. “I think they had been using the previous system for about 10 or 15 years,” Mr. Seawood says.

So the organization recently launched a nearly three-year project to implement a new consumer loan origination platform to meet the modern needs of customers.

Beyond managing ambitious technology goals, the project team also would need to introduce these big changes to the rest of the company. To help with the technology portion, Farm Credit Mid-America decided to work with Blink, a user-experience firm that lists NASA, Nike and Microsoft as clients. To ensure strategic alignment, Mr. Seawood also made

sure his team's plan adhered to a few principles to ensure that the change management aspect of the project went smoothly.

The most important principle had to do with putting people at the center of the project—a directive that Farm Credit Mid-America shared across the enterprise. With a focus on an exceptional customer experience, the organization mapped the customer journey with an emphasis on the high-level sequence of events that creates value for customers. All projects and programs for the change initiative were designed around this vision, he says.

From there, the communication plan became a vital part of facilitating well-managed change. The plan had to start at the top, with the organization's leaders, Mr. Seawood says. “In terms of how a company approaches change management, we've got to onboard the leaders with the messaging first,” he says. “They go through their own personal change curve, and they can ask us clarifying questions.”

To facilitate that process, Farm Credit's project management team also has a liaison: a director of leader development. She is involved with all the strategic projects laid out by the company in order to reach its 2020 strategic goals. She provides project managers and project teams with predictive insights on how the leaders might respond to

**“Integrating change management into your project plan is a way to address and overcome any fears.”**

—John Donohoe, PMP, PgMP, PfMP, Star Alliance, Frankfurt, Germany

## ***We asked project professionals: How do you deal with change—whether big or small?***



“For any planned change management, it's important to identify business objectives and establish KPIs at the initial stage; create a transition plan; and set up communication such as reporting, training and email correspondence with the impacted team. For unplanned changes, you might also need to assess the impacted area and establish a risk governance process.”

—**Mayuri Hazarika**, delivery PMO professional, Amdocs, Singapore



“I think of project managers as change leaders. They must share a vision of the needed changes with the team and make what is to be gained tangible: higher profits, better information or reduced labor hours, for example.”

—**Cary Smith**, PMP, engagement manager, Decision Resources Inc., Colorado Springs, Colorado, USA



“For any change initiative, you need to have a concise case for buy-in. There will always be stakeholders not on board, but your case for change and measures of success need to be clear. To be successful, recruit change champions. Going out single-handedly is tough.”

—**Imtiaz Javed**, PMP, project manager, Ambitech Engineering Corp., Chicago, Illinois, USA





**“We have leaders address staff and teams—this way, the message doesn’t come from a project management group, it’s from a leader.”**

—Mike Seawood, PMP, Farm Credit Mid-America, Louisville, Kentucky, USA

change and how to best onboard those leaders to the change before they lead their teams through the change. Leading through their own personal journey of change will help leaders identify challenges and risks that team members might encounter along their transition, Mr. Seawood says.

“A big lesson we’ve learned is that you’ve got to get leaders comfortable. Then we have leaders address staff and teams—this way, the message doesn’t come from a project management group, it’s from a leader,” he says.

#### **POWER TO THE PEOPLE**

These days it’s unlikely that a project manager would talk about tools for change initiatives and not mention the people first. “We can have a great understanding of Harvard professor John Kotter’s ‘8-step process for leading change,’ but at the end of the day it all comes down to the people side of change,” says Mr. Donohoe. “You have to look at the culture in the organization and have a plan and approach that’s in line with that.”

Last year Mr. Donohoe oversaw a large change to Star Alliance’s digital services platform. The company connects 28 airlines and views its primary job

as creating a seamless experience for the passengers flying between brands. If a traveler is taking a United Airlines flight and then switching to a Singapore Airlines flight, ideally, the Star Alliance digital tools in place make it easier to check baggage or upgrade a seat on both of them. “For us it’s about making sure passengers can manage and control their own journey. So we started designing application programming interfaces to allow customers to use any member airline’s website or mobile application to obtain all the information they need,” Mr. Donohoe says. “Now we’re working on transforming the entire organization to deliver digital services in a whole new way.”

To plan for this organizational change, Mr. Donohoe relies on core people skills. He says 90 percent of his time is spent listening to the key influencers and stakeholders—from the IT staff to the sales team—asking what they think about the new digital platforms. Does it solve their problems? Do they anticipate obstacles?

From there, Mr. Donohoe stresses the importance of an actively engaged project sponsor. “It’s what I call the golden rule of project management: You need to have a strong sponsor,” he says. “I have some experi-

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## **We asked project professionals: How do you deal with change—whether big or small?**



“You must be as prepared as possible to deal with changes before they arise. Performing risk analysis for the different stages of your project will

help you put countermeasures in place for change needs you may face. But you will never cover all bases—there will be situations you have not planned for. In those cases, keep calm and be confident you will find a solution with the lowest possible risk.”

—**Marcos Bina**, planning, engineering and order management leader, Ingersoll Rand, Barueri, Brazil



“My strategy is to adopt agile approaches, primarily via the scrum framework.

It improves the probability of developing and delivering a software product with high value and high quality. Agile approaches allow teams to respond to changes in scope more fluidly and effectively.”

—**Andrea Paparello**, PMP, freelance project manager, Indra Brazil, Rome, Italy



“You have to adapt—the world, projects and people

are always changing. Be observant and be prepared for change, and always try to stay one step ahead.”

—**Jose Antonio Flores Paytuví**, project manager, Ingredion Inc., Zapopan, Mexico





ence in trying to implement some change from the bottom up. If you don't have that senior executive champion who's out there explaining the business rationale, it becomes much more difficult."

Christian de Loës, PMP, a project manager at Prosensit Management Consulting in Stockholm, Sweden, says a lack of active and visible sponsorship is the top reason for unsuccessful change. "In the same way that effective sponsorship can mobilize and activate the organization, poor sponsorship inhibits and delays progress. Employees interpret an absent or inactive sponsor as an indication of how important—or unimportant—the change initiative is."

### FEAR FACTORS

Firming up a project professional's change management foundation—and having some means to stay

fresh as the approach evolves—is becoming table stakes at many organizations. The more the project manager knows about change management, the easier it becomes to adapt the ideal framework to the reality of any situation, Mr. Donohoe says.

Emotions are a very real part of change management. Change can trigger apprehension among team members and stakeholders, such as trepidation over shifting responsibilities or fear of job loss. It's good to meet those fears head-on, Mr. Donohoe says.

"Change is occurring at an ever-faster rate and is an integral part of all our businesses," he says. "Change management is a way for project managers to ensure the change, and ultimately the project, is successful. Integrating change management into your project plan is the way to address and overcome any fears." **PM**

**"Employees interpret an absent or inactive sponsor as an indication of how important—or unimportant—the change initiative is."**

—Christian de Loës, PMP, Prosensit Management Consulting, Stockholm, Sweden



"You have to focus on your core goals and properly document any needed changes.

And you have to make everyone involved with the project aware of the changes. You'll always face some resistance—but remind people some change is inevitable in the course of any project."

—**Daniel Arellano Valadez**, senior project manager, Qualtia Alimentos, Monterrey, Mexico



"Any time a change is required, it's necessary that everyone on the team be aligned on

what the shift is and what its impact will be. When the impacts of any changes are planned for and effectively communicated, it's much easier to embrace what must be done."

—**Paige Terwilliger**, senior project manager, The Nordery, Minneapolis, Minnesota, USA



"Selling the change and receiving buy-in from key stakeholders is critical to change adoption. It's also

important to realize that people respond to change at different paces. Helping people understand the positive end in mind supports adoption and drives enthusiasm surrounding the future-state vision."

—**Joe Hashemi**, PMP, director of operations development and planning, Anthem Inc., Norfolk, Virginia, USA

CHANGE

PMO

POWER

When it comes to change initiatives, project management offices are natural collaborators, says **Tanisha Adams, PMP**, PMO director, Georgia Department of Public Health, Atlanta, Georgia, USA.

**BY KATE ROCKWOOD**  
PORTRAITS BY AUDRA MELTON





**“Ask the project sponsor what’s been done to address change management. If they say nothing, make it clear that you have to manage it, right alongside scope, schedule and budget.”**

—Tanisha Adams, PMP, Georgia Department of Public Health, Atlanta, Georgia, USA

**Let's start with the billion-dollar question: Can project management offices (PMOs) make a big difference on large-scale change initiatives?**

Absolutely. PMOs can drive better results if they're able to put change management front and center during the conceptual stage. That means they're part of the conversation before resources are engaged and before funding is approved—before the project is really even kicked off. In my experience, the deadline tends to drive most projects. But to be most effective, sometimes you have to slow it down. You can take the time to build a solid change management foundation, or you can race ahead

without one and risk having to rework processes or plans. A rushed approach can wind up wasting time and money and resources.

**It sounds like the PMO should be a real collaborator.**

Exactly. It has to be a more collaborative role, because even if the project sponsor is ready to go, it doesn't mean his or her peers are. You have to tease out what the impact could be on other leaders at the organization. Could the change initiative be really disruptive to a particular department not highly involved in the project? Is another part of the



**"Change management can't just be a concept. It has to be an active strategy, with a plan and tasks that run throughout the project life cycle."**

—Tanisha Adams, PMP

# The Right Kind of Kickoff

Every project deserves a proper start, but change initiatives demand special attention. A kickoff meeting gone wrong can fuel panic rather than igniting passion. Here's how to set the change initiative on the right path—right out of the gate, says Bruno Cabuto, agile transformation consultant, Abu Consulting, São Paulo, Brazil.

## **STEP 1** Get Face Time With the Project Sponsor

This should happen before a kickoff meeting on any project, but it's even more crucial with a change initiative. "You want to know if there are some people or some departments who will likely be more resistant to change," he says. "The more information you can get in advance, the better the kickoff will go."

## **STEP 2** Extend the Invitation Far and Wide

"With a change project, there's typically a lot more people involved—and all of them need to feel acknowledged and included," he says. Although a routine project's kickoff invitation list might include a handful of people, don't be surprised if the change initiative's kickoff is two or three times as big. Inviting a larger circle can help curb questions and resistance. "Don't choose only the most important people—you have to choose all the people," he says.

## **STEP 3** Underscore the Value

The first 10 to 15 minutes of the kickoff meeting should be devoted to how the project supports the organization's strategic goals. Mr. Cabuto is a big fan of real-time drawing during the meeting to drive this point home. "Rather than use a static slideshow presentation, I like to draw something on the board to show the strategy in a simple way and connect it to the project," he says. "Visual aids can really help when you're trying to get people to embrace a big change. When people understand why they're doing the change project, they feel more engaged."

organization not ready for it, because of what they have going on?

At some organizations, the PMO is part of the leadership team and therefore has a broader view of how change can and should happen—not just for different departments, but across the entire organization. But if that's not the case, hard conversations can happen during the first meeting with the sponsor. If he or she wonders what the success criteria for this project is, you may need to step back and ask: "What sorts of conversations have taken place relative to change management across the organization?" It has to be done for the project to be successful.

## **How can PMOs help cultivate a more change-ready organization?**

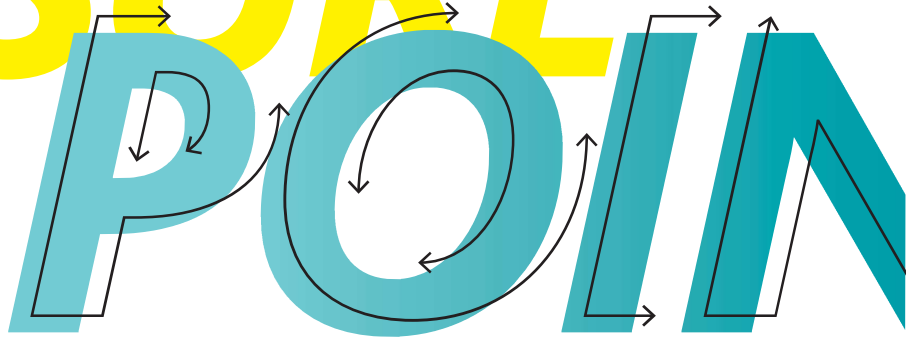
PMOs can better leverage lessons learned. In every project, project managers conduct lessons learned. There's usually a change management item in there that could have been done more effectively. When the item relates to change management, it should be brought back to the PMO, to its leadership team. It should be proactively addressed. If that's continually done, it helps create a culture where people are more prepared for change and a more change-ready organization in general.

## **What advice would you have for project professionals intimidated by change management?**

A lot depends on the culture of the organization. If change management is put entirely on the project manager, absolutely that can be intimidating. But really, change management isn't a bottom-up activity. It's a top-down activity—change has to come from our leaders. And if there's not talk at the top, then you have to assert your authority early on. Ask the project sponsor what's been done to address change management. If they say nothing, make it clear that you have to manage it, right alongside scope, schedule and budget. Change management can't just be a concept. It has to be an active strategy, with a plan and tasks that run throughout the project life cycle. **PM**

# PRESSURE

In the globalized and digitized economy, organizations are trying to boost their agility.



## SHRINKING SHELF LIFE

Almost **60 years**

Average life span of Standard & Poor's 500-listed companies in the 1950s

Less than **20 years**

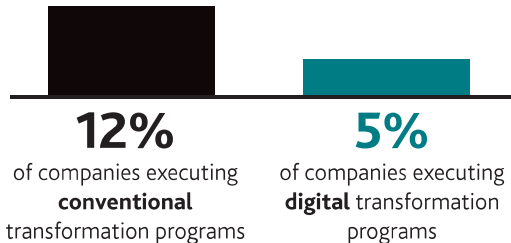
Average life span of such companies today

**8%** of companies believe their current business model will remain economically viable if digitization continues at the current pace.

## TOUGH ODDS

Digital change management programs are more difficult than conventional ones.

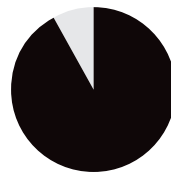
Proportion of companies that reported the transformation effort met or exceeded their expectations



**20%** of all transformation initiatives produced **less than half** of expected results.

The top factor in a successful digital transformation? **Executive alignment.**

## PIVOTAL MOMENT



**92%** of executives say agility is critical to business success.



**27%** say their organization is currently highly agile.

**70%** Likelihood that agile companies are in top quartile of organizational health, which predicts long-term performance

**40%** of business leaders say they are currently conducting an organization-wide agility transformation.

Sources: "Orchestrating a Successful Digital Transformation," Bain & Company, 2017; Credit Suisse, 2017; *Why Digital Achieving Greater*



The **5 traits** of successfully agile companies:



**1.** Shared sense of vision and goals



**2.** Empowered and connected teams



**3.** Rapid decision and learning cycles



**4.** People-focused model that inspires

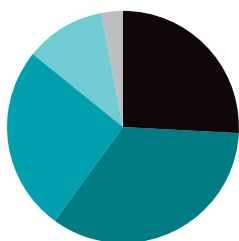


**5.** Advanced and evolving technology strategy

### NEEDS IMPROVEMENT

**28%** of project professionals say that **poor change management** was a primary cause of project failure during past 12 months.

Change management is widely practiced—at least some of the time. Here's the breakdown for how frequently organizations use change management practices:



**26%** Always  
**34%** Often  
**26%** Sometimes  
**11%** Rarely  
**3%** Never

Strategies Fail, McKinsey, 2018; The Five Trademarks of Agile Organizations, McKinsey, 2018; r Agility: The Essential Influence of the C-Suite, PMI, 2017; Pulse of the Profession®, PMI, 2018

## CHANGE-MAKER

# Think on Your Feet



**Sylvia Thabeng** is a project manager at the electrical utility Eskom Holdings in Johannesburg, South Africa.

In my project environment, if there are deviations in scope you have to engage your stakeholders to inform them of the changes that are about to happen. It's not a matter of whether they like the change or not—it has to happen. But you need to involve stakeholders, because you need their buy-in. You have to get approval for the new timelines and, if there is a financial implication, additional funding.

I once was tasked with taking over a project midstream to replace an old customer service system with a new one. The project was very technical, and my predecessor was not as technical as the organization expected. The scope was not clearly defined. When I took over, we did a gap analysis and realized we needed eight extra months to complete the project. That's where my change management skills were really called upon.

I took over about three years into the project, just six months before the targeted completion date. The problems I uncovered had cost and schedule implications. Some stakeholders could not understand how we required more money and time at such a late stage. We had to engage them to clearly explain what the issues were to make sure they understood why change was necessary.

In the end we decided to prioritize the main functionality and go live with a basic system despite some bugs. In subsequent months, we fixed bugs as we rolled out additional features in the system.

As a project manager in that situation, you have to think on your feet. Employing agile approaches helps. If you always implement your projects in a waterfall, it becomes a problem. You're less comfortable breaking projects into phases if you encounter problems or are behind schedule and need to catch up.

The biggest challenge can be stakeholder buy-in. Sometimes stakeholders lack understanding about internal processes. Sometimes we over-promise and then, when things don't go well, people are too shy to tell the truth. What I've learned is that a clear, documented change management process can be enormously helpful. The process has got to be standardized—people should know exactly what is expected of them. That can take a lot of the friction out of the change process.

**What I've learned is that a clear, documented change management process can be enormously helpful.**