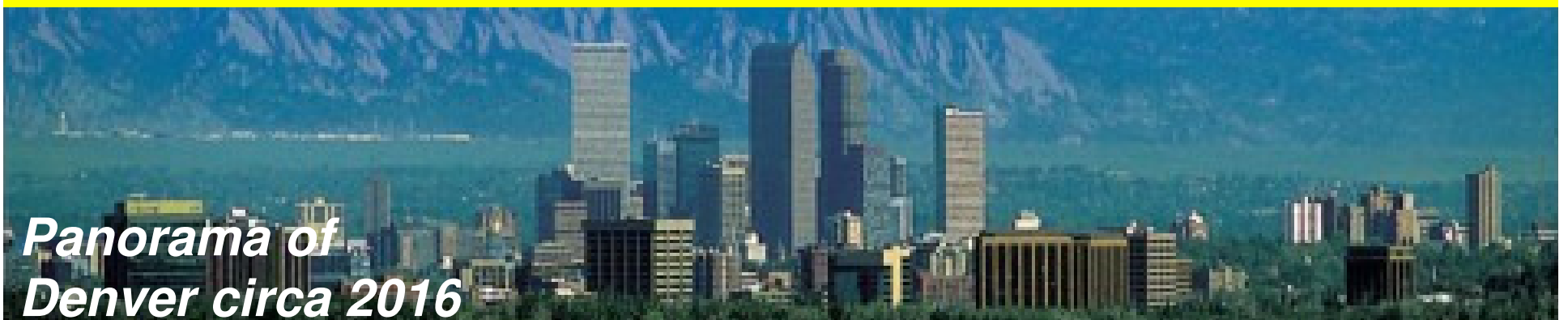Panorama of Denver circa 1898

Case Study: Building change capability within a large government enterprise

Gary Vansuch

Panorama of Denver circa 2016

Helps answer this question

How do we use change management in transforming culture?

My expectations

Cell phones on stun

Active Involvement

Ask Questions

What Was Advertised – long version

"**Answers the question:**
How do we use change management in transforming culture?

How do we use change management in transforming culture?
Many organizations are striving to build their internal change capability to support the success of key projects. The Colorado Department of Transportation (CDOT) - a large government enterprise with a budget exceeding $1.3 billion annually -- has succeeded at increasing its change capability by intentionally deploying change management - the people side of change initiatives - on these key projects. During this session, we will discuss 1) building internal change competency; 2) embedding that in the organization's approach to Lean continuous improvement; and 3) creating and fostering a vibrant Change Agent Network to support that. All of this has increased CDOT's change capability and capacity, which helps us ensure that every person on "Team CDOT" who is impacted by a change will be successful with that change."

What Was Advertised – Shorter

Change happens

Some of us cause it to happen!

It often happens with some pain.

We can do something about that, using change management!

And, of course, the Customer Pledge

View west from Cripple Creek

Thank goodness for strong competitors!

- **Exhibit Hall B**: Agency Leadership Panel
- **Ballroom A**: Solving Problems Should Be Easy: Using the 4-Step Visual Tool
- **Ballroom BC**: Focusing on the "g" in gPDCA
- **Room 315/316**: We're Not Robots: Reorganize for Speed!

- **Room 317**: Office Lean
- **Room 318**: Growing A Lean Community: The Jefferson County Story
- **Room 407**: Can evolving past the hierarchy make us more efficient?

Denver's "Blue Bear"

What's inside

- A little bit about CDOT
- What is Change Management
- A few tips

First:
a quick warm-up

SH-133, near Redstone

Question for the audience:

What happened?

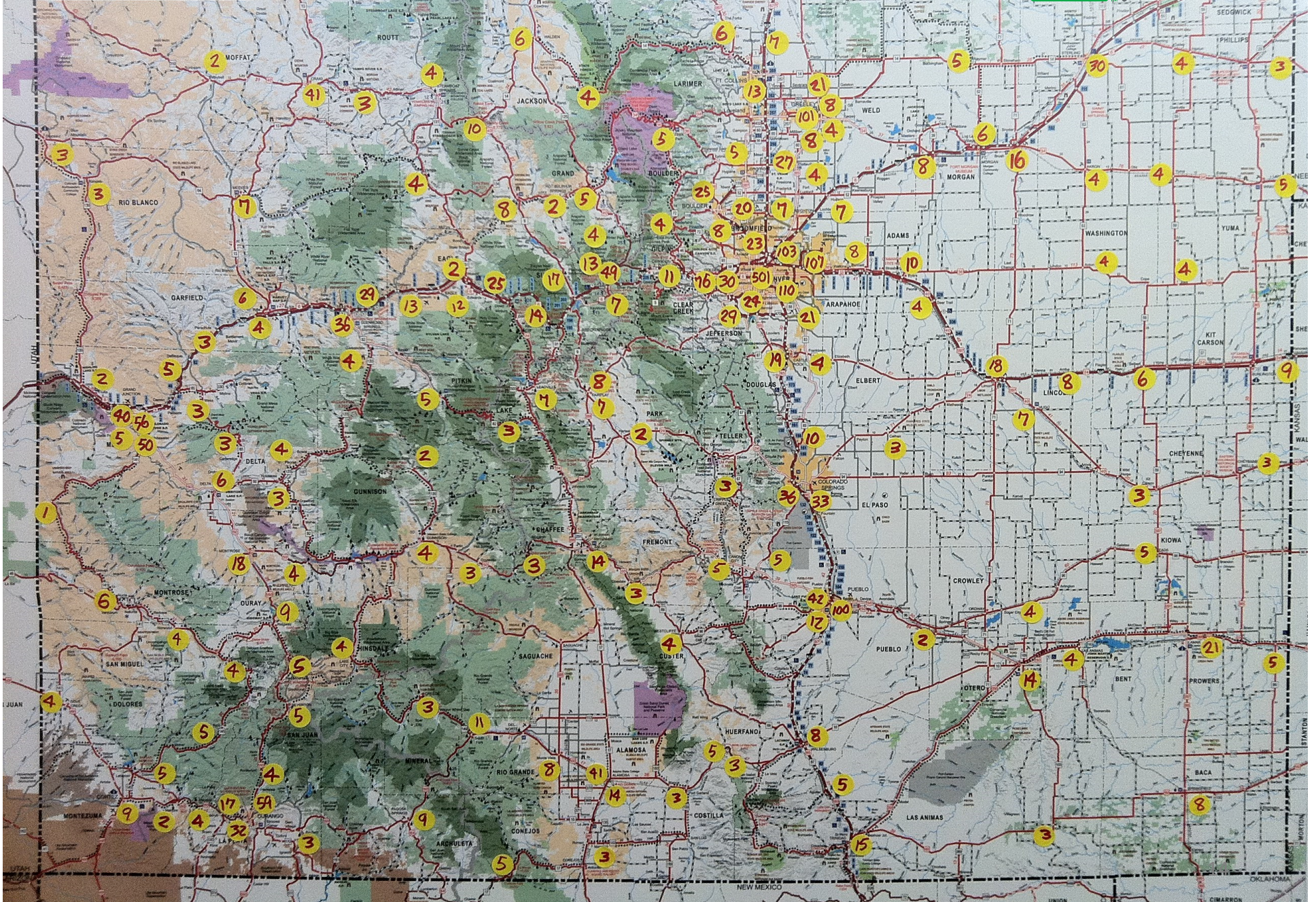Denver's "Blue Bear"

What's inside

- A little bit about CDOT
- What is Change Management
- A few tips

WHAT is CDOT

WHERE is CDOT

WHO is CDOT

Denver's "Blue Bear"

What's inside

- A little bit about CDOT

- **What is Change Management**

- A few tips

What is Change Management

- 4 quick questions
- Technical side of change
- People side of change

A tool for answering Fist-to-five voting

Does your organization have good **intentions** with managing the **technical** side of change efforts?

Fist-to-five voting

Is your organization **actually** good with managing the **technical** side of change efforts?

Fist-to-five voting

Does your organization have good **intentions** with managing the **people** side of change efforts?
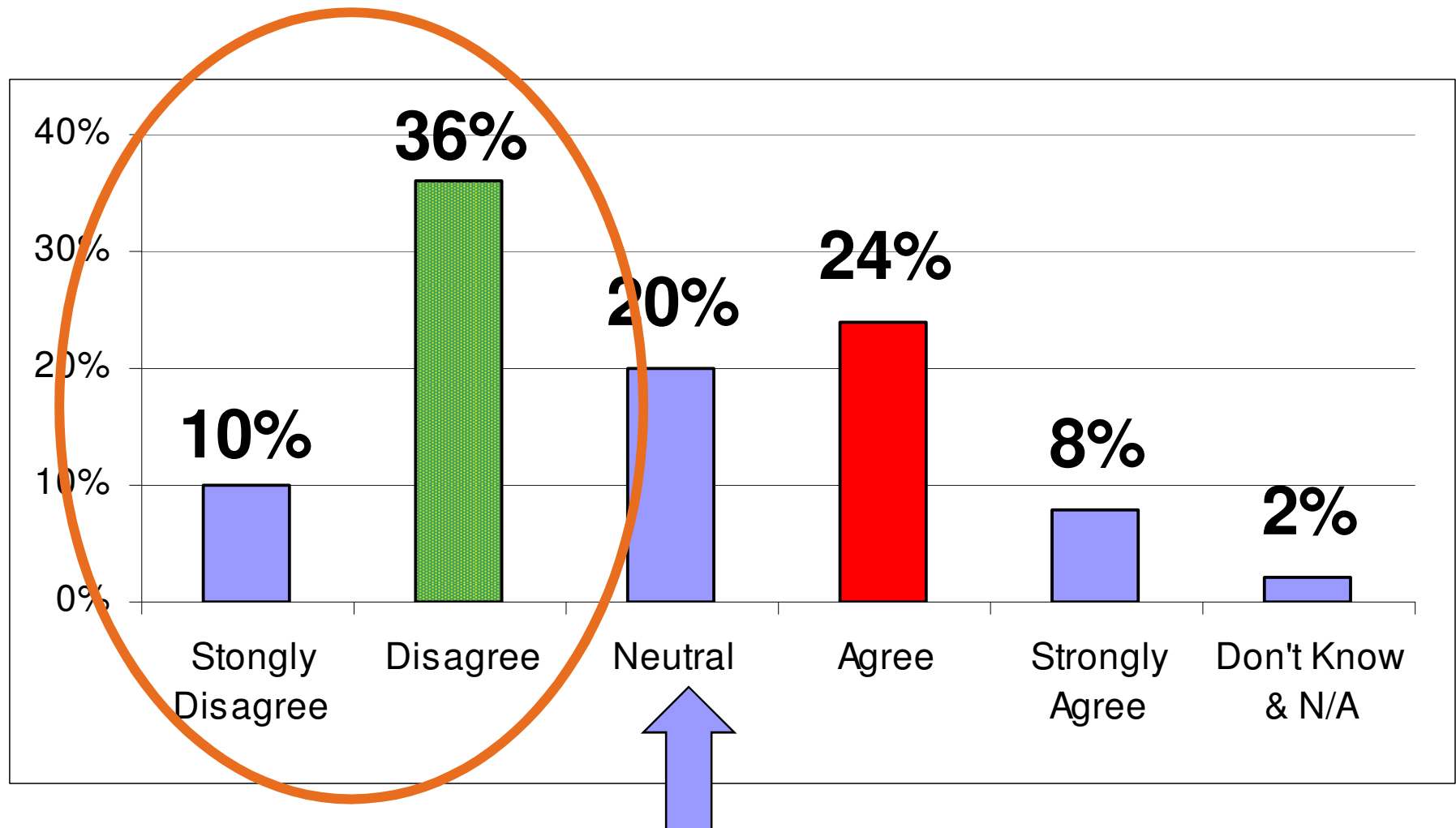
Fist-to-five voting

Is your organization **actually** good with managing the **people** side of change?

Fist-to-five voting

You have plenty of company

*"My organization is good at managing the "**people**" side of change initiatives."*

Stongly Disagree: **10%**
Disagree: **36%**
Neutral: **20%**
Agree: **24%**
Strongly Agree: **8%**
Don't Know & N/A: **2%**

Almost 1/2 disagreed

And, another 20% were "neutral"

For process improvements involving system investments

- **28%** are <u>abandoned</u> altogether before completion

- **41%** come in <u>behind schedule</u> and/or <u>over budget</u>

- **80%** that do make it to completion are either <u>not used</u> in the way they were intended, or not used at all within 6 months
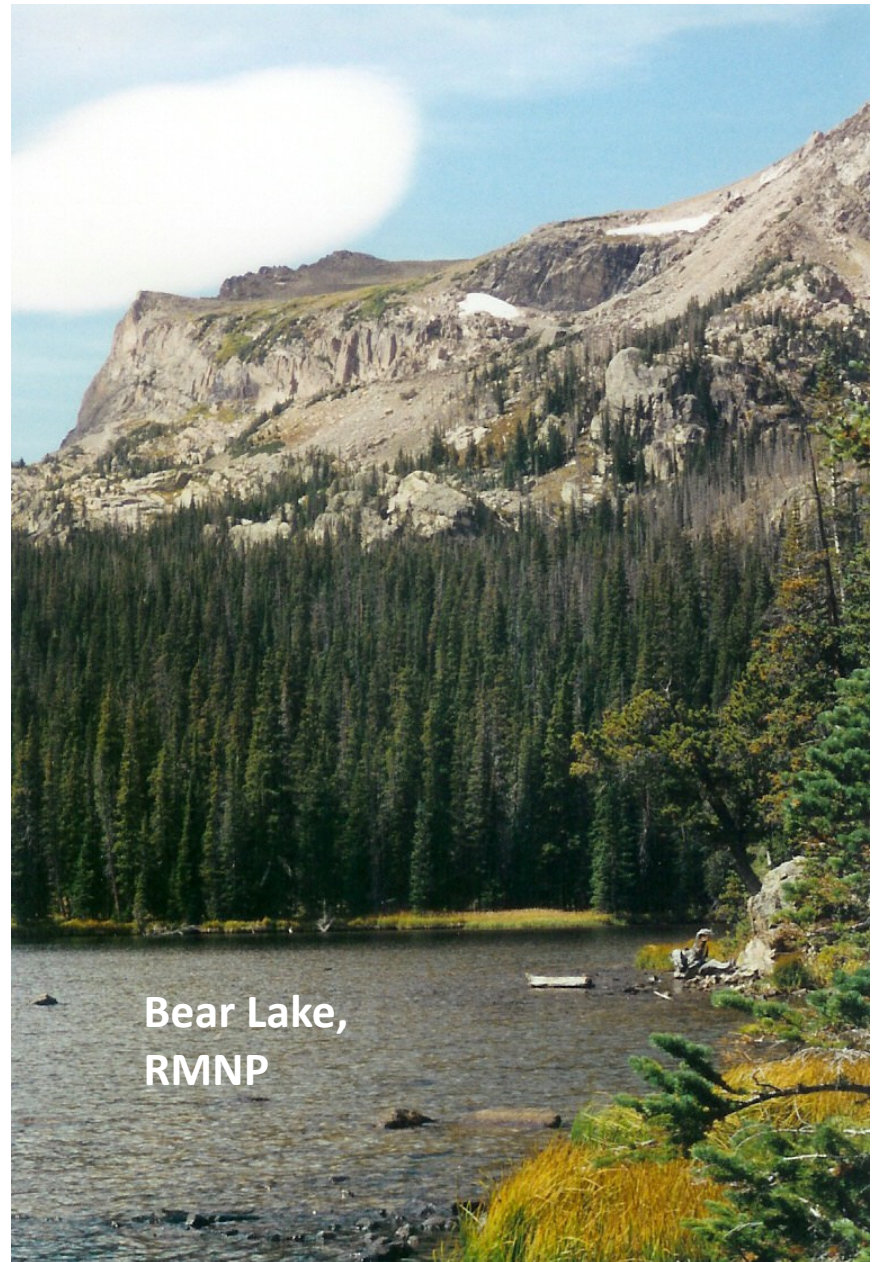
-- Gartner Group, 2003

Why?

Project Management - the technical side - is necessary

Wanting to do the right thing is necessary

However, these are not sufficient

So how can we do better with the **people** side of change?
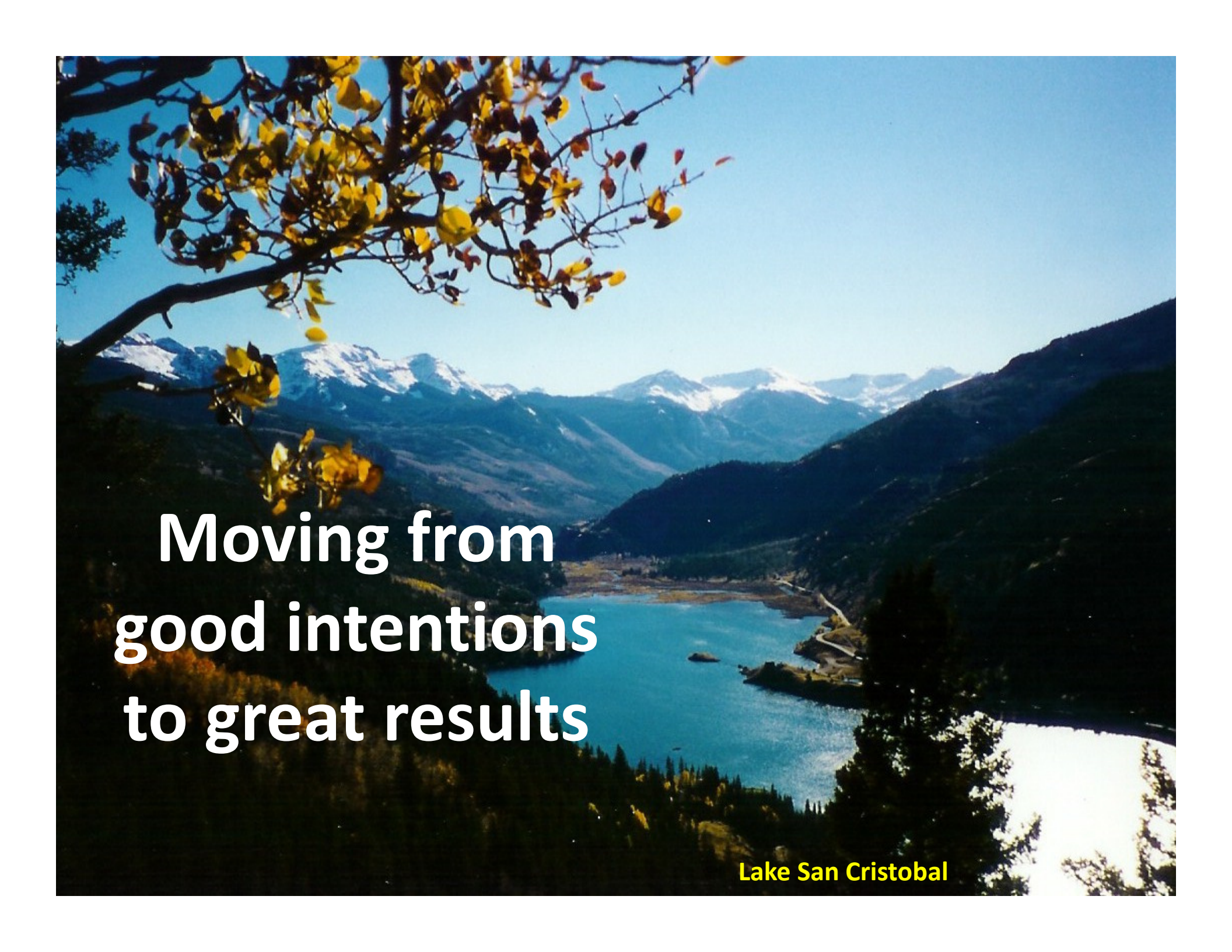

Bear Lake, RMNP

What is change management?

Pike's Peak

Helping everyone be successful with every change which impacts him or her

Pike's Peak at New Year's

Moving from good intentions to great results

Lake San Cristobal

Denver's "Blue Bear"

What's inside

- A little bit about CDOT
- What is Change Management
- **A few tips**

A Few Tips

- Go beyond communication
- Expect resistance
- Focus on Individuals
- Have effective leadership and sponsorship

Tip 1

- Go beyond communication

Let's do a quick exercise

Start by thinking of a project you are involved with, or are contemplating starting.

Perhaps you want to transition to a Lean Organizational Culture.
(Ask us about our transition at CDOT!!!)

Project Name

Project Name

Purpose (Why)

Short version for today: one (reasonably short) sentence

Project Name

Purpose (Why)

Particulars (What)

Short
for too
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sent

What is actually being changed? Specific changes that will be made to business processes, systems, tools, job roles, organization structures – what is actually being changed?

Project Name

Purpose (Why)	Particulars (What)	People (Who)

Who has to do their jobs differently?
With the new processes, systems, tools, job roles, organization structures – whose day-to-day work will be impacted?

Project Name

Purpose (Why)	Particulars (What)	People (Who)

Short v...   ...version
for toda...   ...oday:
(reaso...   ... or 4
sho...   ...le or
sente...   ...ups

Who has to do their jobs differently?
Scale of 0 to 100: what percentage of the success of your change depends on people doing something different?

Project Name

Purpose (Why)	Particulars (What)	People (Who)

Sh... ...on
for... ...
(r...

s...

What percentage of the resources on your Project is focused on the "people" side of your change — helping people be successful with the change?

Project Name

Purpose (Why)	Particulars (What)	People (Who)

> If people do NOT change how they do their jobs, then it does NOT matter what specific changes are implemented!

> If people don't change how they do their jobs, then we ultimately will NOT achieve the purpose of the change or the project!

Tip summary

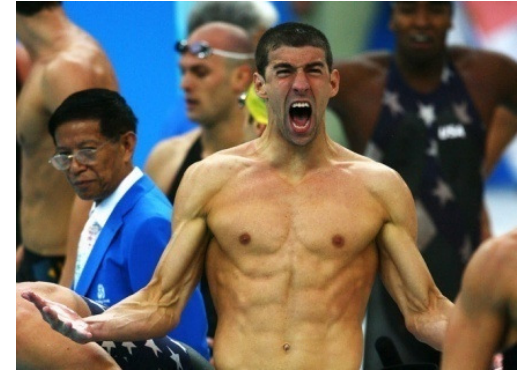- Go beyond communication: who is impacted, who has to do their jobs differently

Tip 2

- Expect resistance

Employees Have Found Meaning in Their Work

- Most employees believe that their work matters, that they are contributing to something larger than themselves

- The majority of our employees have found a **sense of meaning** in the work they do today

Change may threaten this sense of well-being

- When work changes, even when it is an improvement, it can threaten this sense of meaning

- Yes, people resist change; however, it typically is **_NOT_** the change itself they are resisting (!!!!)

- They are resisting the possible change to their sense of well-being
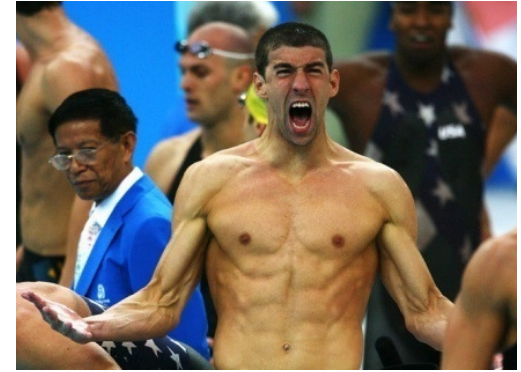
People know how to be successful in their current circumstances

Even though they may complain, they have figured out how to survive (and even thrive)

*"**Better the devil you know than the devil you don't**"*

And even

"**Better the Devil you know than the Angel you don't**"

Prosci's 2012 Edition Best Practices in Change Management Benchmarking Report:

Top 5 reasons for **employee** resistance to change

1. **Lack awareness of the _need_ for change**
2. Impact on current job role
3. Organization's past performance with change
4. Lack of visible support and commitment from managers
5. Fear of job loss

Prosci's 2012 Edition Best Practices in Change Management Benchmarking Report

The top 4 reasons for **manager** resistance

1. Lack awareness of the _need_ for change

2. Loss of control or negative impact on job role

3. Increased workload and lack of time

4. Culture of change resistance and past failures

People are resisting the possible change to their sense of well-being

and NOT necessarily

The change itself!

Tip Summary

- Expect resistance
- And, people are NOT resisting the change itself
- Help <u>individuals</u> maintain their sense of well-being

Tip 3

- Focus on individuals

Prosci's ADKAR® Model

- **ADKAR was developed by Prosci Research after studying the change patterns of more than 700 organizations.**

- **ADKAR represents the five elements of change that must be achieved for the change to be a success.**

- **ADKAR targets managing change at an individual level and guides activities at an organizational level.**

The ADKAR® Building Blocks

The Five Building Blocks for Successful Change are...

Awareness

Desire

Knowledge

Ability

Reinforcement™

The ADKAR® Building Blocks

Change begins with understanding why

Awareness
D
K
A
R

What is the nature of the change?

Why is the change needed?

What is the risk of not changing?

The ADKAR® Building Blocks

Change involves personal decisions

A
Desire
K
A
R

What's in it for me (WIIFM)?

A personal choice

A decision to engage and participate

The ADKAR® Building Blocks

Change requires knowing how

A

D

Knowledge

A

R

Understanding how to change

Training on new processes and tools

Learning new skills

The ADKAR® Building Blocks

Change requires action in the right direction

A
D
K
Ability
R

The demonstrated capability to implement the change

Achievement of the desired change in performance or behavior

The ADKAR® Building Blocks
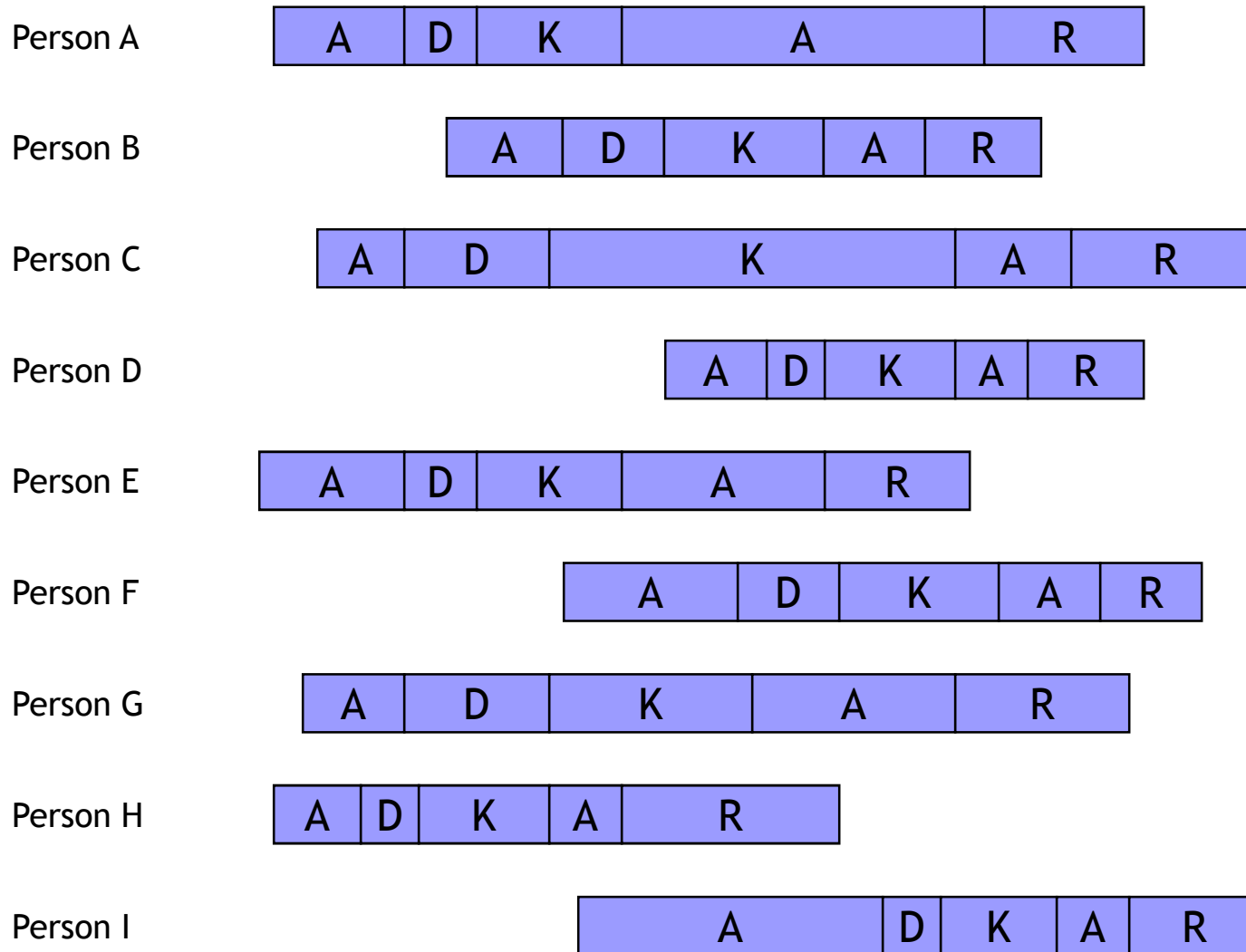
Change must be reinforced to be sustained

A
D
K
A
Reinforcement

Actions that increase the likelihood that a change will be continued

Recognition and rewards that sustain the change

Not Everyone Changes At the Same Pace

Person A   A | D | K | A | R

Person B   A | D | K | A | R

Person C   A | D | K | A | R

Person D   A | D | K | A | R

Person E   A | D | K | A | R

Person F   A | D | K | A | R

Person G   A | D | K | A | R

Person H   A | D | K | A | R

Person I   A | D | K | A | R

From the research: the top reasons for *employee* *resistance* to change

1. **Lack awareness of the *need* for change**
2. Impact on current job role
3. Organization's past performance with change
4. Lack of visible support and commitment from managers
5. Fear of job loss

From the research: the top reasons for *manager resistance*

1. **Lack awareness of the *need* for change**
2. Loss of control or negative impact on job role
3. Increased workload and lack of time
4. Culture of change resistance and past failures
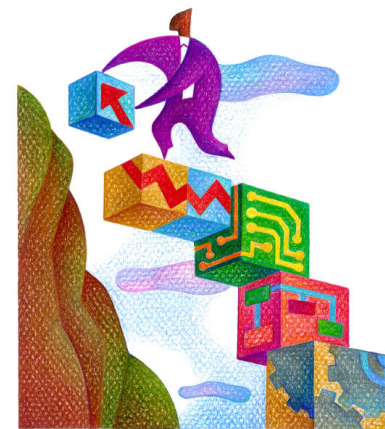
Tip summary

- Focus on individuals: Effective Change Management must be focused on helping <u>individuals</u> change

Tip 4

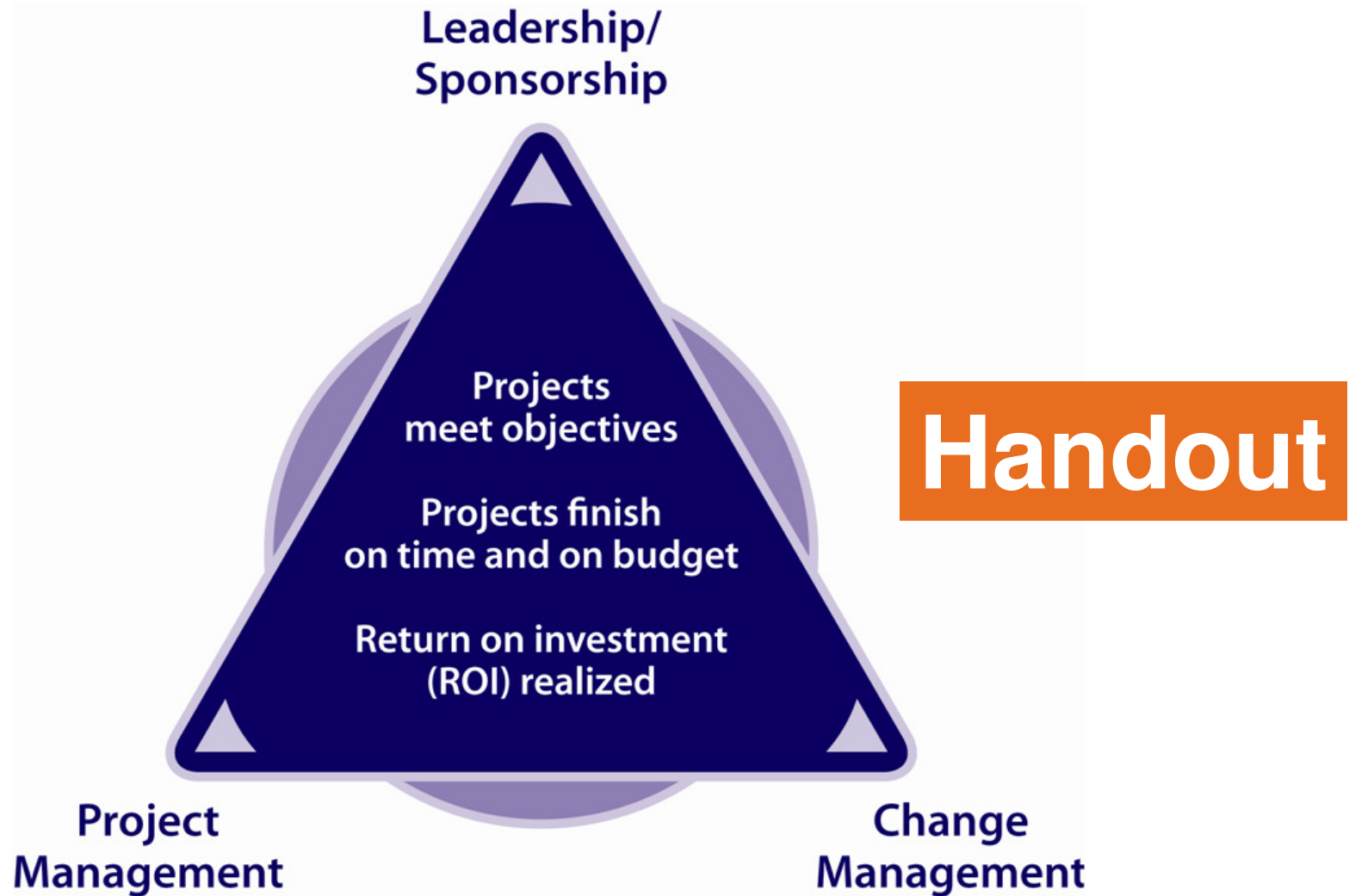- Have effective leadership and sponsorship

The Biggest Contributors to success for change efforts are:

1. **Active and visible executive sponsorship**

2. Frequent and open communications around the need for change

3. Structured change management approach

4. Dedicated resources and funding for change management

5. Employee engagement and participation

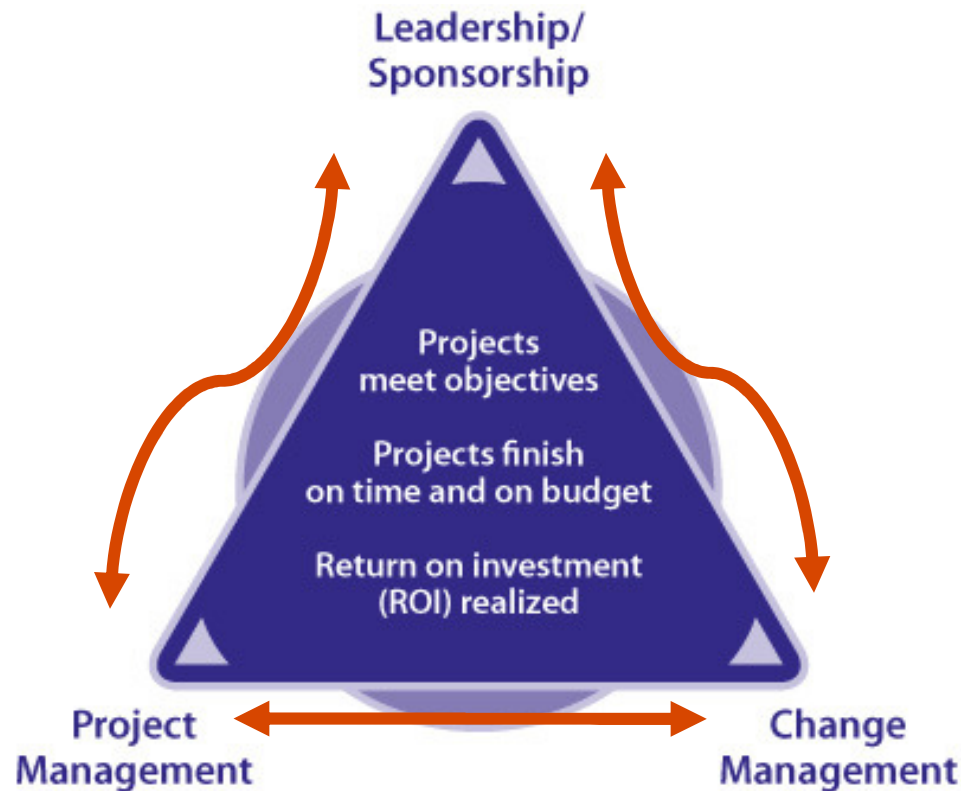# The Biggest Obstacles to success for change efforts are:

1. **Ineffective change sponsorship from senior leaders.**
2. Insufficient change management resourcing.
3. Resistance to change from employees.
4. Middle management resistance.
   - **Managers are employees first, managers second!!!**
5. Poor communication

So, what do we do?

Leadership/
Sponsorship

Projects
meet objectives

Projects finish
on time and on budget

Return on investment
(ROI) realized

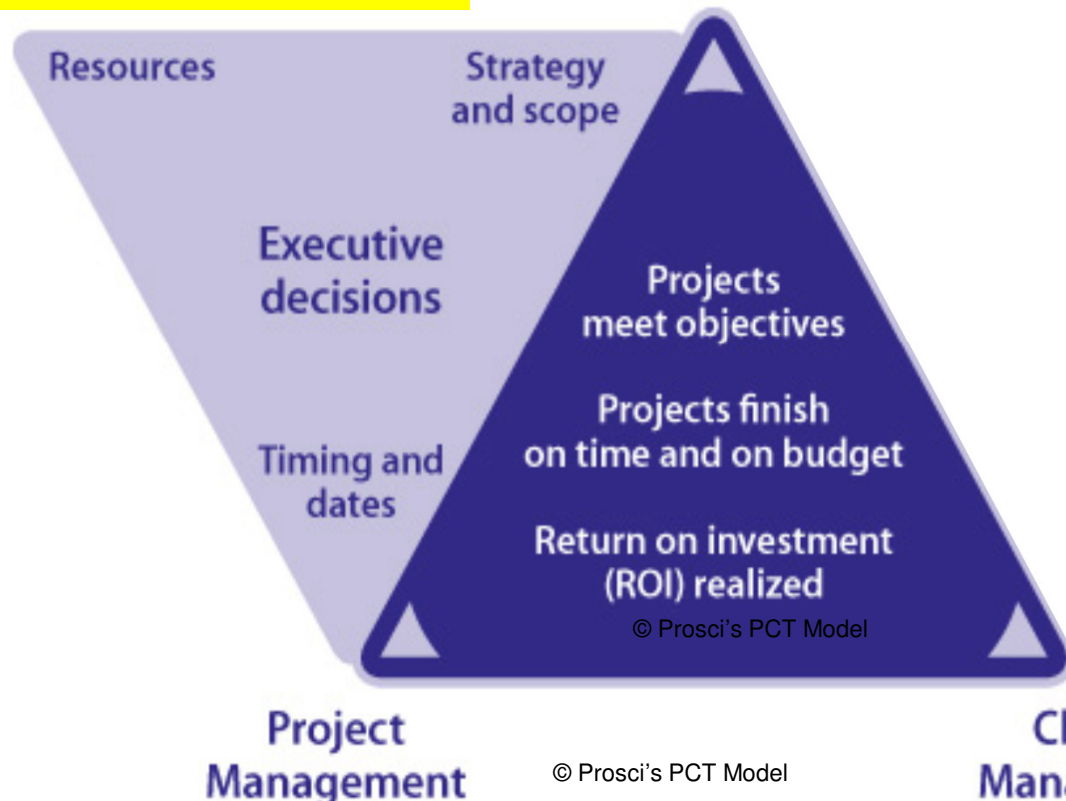Project
Management

Change
Management

Handout

Prosci's PCT™ Model: Relationships

- **Leadership – project management** connection
- **Leadership – change management** connection
- **Project management – change management** connection
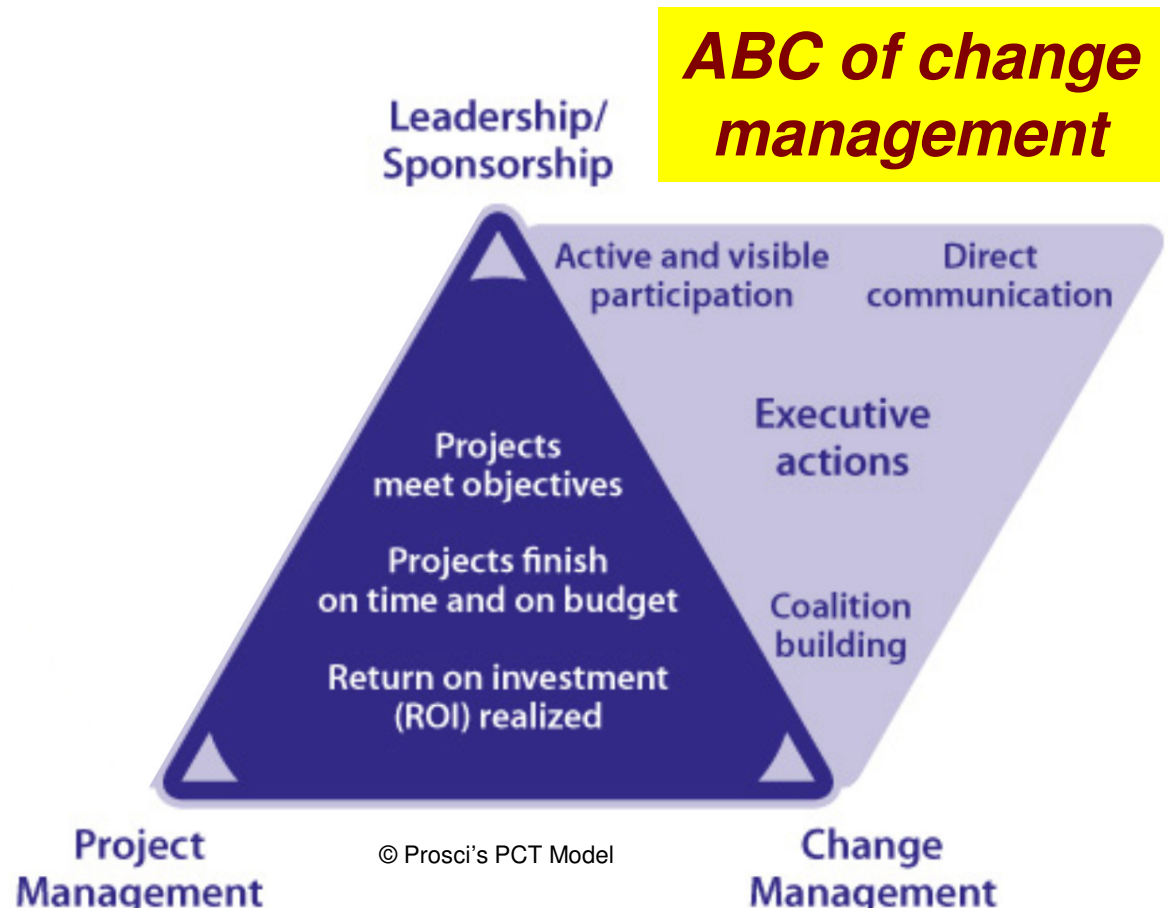
Leadership and project management

Leadership/
Sponsorship

Resources

Strategy
and scope

Executive
decisions

Projects
meet objectives

Projects finish
on time and on budget

Timing and
dates

Return on investment
(ROI) realized

© Prosci's PCT Model

Project
Management

© Prosci's PCT Model

Change
Management

DECISIONS for
balancing the
Resources (cost),

Scope and

Time dimensions
of the project

Leadership and change management

ACTIONS for fulfilling the role of *effective sponsor of change*

1. Visible and **A**ctive participation

2. **B**uilding the sponsorship coalition

3. **C**ommunicating directly with employees

ABC of change management

Leadership/Sponsorship

Active and visible participation

Direct communication

Executive actions

Projects meet objectives

Projects finish on time and on budget

Return on investment (ROI) realized

Coalition building

Project Management

© Prosci's PCT Model

Change Management

Tip Summary

- Have effective leadership and sponsorship
- Effective Change Management must have <u>sponsorship</u> from leaders
- This is not automatic
- It <u>is</u> something you can influence

A Few Tips

- Go beyond communication
- Expect resistance
- Focus on Individuals
- Have effective leadership and sponsorship

Change management is an integral part of CDOT's process improvement initiative

"Bright Ideas is an initiative that recognizes creative and promising government programs and partnerships. The initiative is offered through the Innovations in Government Program, a program of the Ash Center for Democratic Governance and Innovation at Harvard Kennedy School.

"They always say that time changes things, but you actually have to change them yourself."

- Andy Warhol

"*A good plan, violently executed now, is better than a perfect plan executed next week.*"

– General George Patton

So, what's on your (good enough) plan?

Questions?

Near Silverton

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