Case Study: Building change capability within a large government enterprise

Panorama of Denver circa 1898

Gary Vansuch

Panorama of Denver circa 2016
Welcome
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
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?
What’s inside

• A little bit about CDOT
• What is Change Management
• A few tips
First:
a quick warm-up
Question for the audience:

What happened?
What’s inside

• A little bit about CDOT
• What is Change Management
• A few tips
WHAT is CDOT
WHO is CDOT
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
Four quick questions

Red Rocks Park
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.”

Almost 1/2 disagreed

And, another 20% were “neutral”
For process improvements involving system investments

- 28% are abandoned altogether before completion

- 41% come in behind schedule and/or over budget

- 80% that do make it to completion are either not used 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?
What is change management?
Helping everyone be successful with every change which impacts him or her.
Moving from good intentions to great results
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
Short version for today: one (reasonably short) sentence
Project Name

Purpose (Why)

Particulars (What)

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?
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):** Short version for today: (reason) short sentence
- **Particulars (What):** Scale of 0 to 100: what percentage of the success of your change depends on people doing something different?
- **People (Who):** Who has to do their jobs differently?

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

What percentage of the resources on your Project is focused on the “people” side of your change – helping people be successful with the change?
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”

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
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 individuals 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™**

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The ADKAR® Building Blocks

Change begins with understanding why

Awareness
D
e
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

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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  
Person B  
Person C  
Person D  
Person E  
Person F  
Person G  
Person H  
Person I  

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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 individuals 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
Prosci’s PCT™ Model: Relationships

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

DECISIONS for balancing the Resources (cost), Scope and Time dimensions of the project

© Prosci’s PCT Model

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Leadership and change management

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

1. Visible and **Active** participation
2. **Building** the sponsorship coalition
3. **Communicating** directly with employees

© Prosci’s PCT Model

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Tip Summary

• Have effective leadership and sponsorship
• Effective Change Management must have sponsorship from leaders
• This is not automatic
• It is 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
Gary Vansuch, Director of Process Improvement
Colorado Department of Transportation
4201 E. Arkansas Ave., Room 164
Denver, CO 80222
(303) 757-9017
garyvansuch@state.co.us
thank you