

best practice *focus*

These pages, sponsored by the APM Group, look at news and best practice around PRINCE2, M_o_R – Management of Risk, and MSP – Managing Successful Programmes.

Putting a people focus into project management



Project management methodologies, such as PRINCE2 or PMI, don't put sufficient emphasis on 'people issues', says David Miller. He argues that a new breed of business change champions is needed if organisations are to create long-term sustainable change. To fulfil this role, project managers need an additional set of skills.

Because developing an in-house project management approach is both time-consuming and costly, many organisations are adopting the de-facto standards for project management: PRINCE2 in the UK and PMI in the US. These allow you to manage a project in a logical way. They are undoubtedly effective, but they have their limitations, especially if they are used to manage change that involves people changing their behaviour or ways of working.

This is because there is a fundamental difference between project management and change management. Project management involves analysis, planning and checking. It is about achieving a pre-defined output, or effect, through a series of tasks, arranged in a defined sequence. Change management is fundamentally about people. It is a messy 'contact sport' that involves learning new behaviours, changing mindsets and giving up well-engrained, old ways of working.

PRINCE2 and PMI offer little practical guidance in how to build commitment, manage resistance to change, and maximise the collective efforts of the user population. The people components of these methodologies are limited to getting the project team to work together, identifying stakeholders, identifying training requirements and establishing effective communication between stakeholders and the project team.

The importance of people

Research shows that, despite the diligent and effective use of project management methods by competent managers, projects can lose momentum – or fail – if the project team ignores the user requirements. Don't imagine you've addressed the people issues just because you've undertaken a readiness survey and you've got a training plan and a communications plan. You need much more than this if you are to ensure that people are ready, willing and able to change.

New breed

To motivate and mobilise people to change, project managers themselves must change. They must adapt to become business change champions

who are skilled in both project management and change management techniques. As such, they will be able to:

- Help senior executives and managers play an active leadership role that ensures people support the change;
- Help people in the organisation to see a real personal need for change and to understand the project vision;
- Identify project stages and activities where high levels of involvement are required – and facilitate this involvement so that commitment is built;
- Build plans that ensure that people have the necessary skills and motivation to meet the new demands the change brings;
- Work with leaders and other employees to ensure the change is 'biting' where it most needs to;
- Develop follow-up plans to accelerate the acceptance of change.

Additional skills

To fulfil this role, project managers need some additional technical and interpersonal skills. These are set out below and they can be developed with the right training and follow-up coaching.

Sharing the vision. People need to understand and buy into a vision for the change. It doesn't have to be inspiring – though it helps – but it must paint a picture of the future. People need to know where they're heading if they are to fully engage in the change.

Facilitating workshops and change events. Business change champions must work with groups of people to prepare them for change. This inevitably involves planning and delivering a range of communication, involvement and action-learning events, hence the demand for strong facilitation skills and an understanding of group processes.

Assessing change data. A business change champion needs to collect and interpret data from individuals and groups regarding their understanding, perceptions and feelings about the change. Some change initiatives require fairly minor adaptations to people's behaviour while others will be completely contrary to an individual's deeply-held assumptions about work and/or the organisation. A skilled change champion will be able to assess: why key groups might or will resist the initiative; which aspects of the initiative require behavioural change and what new behaviours are needed for success; which key people and groups are taking personal responsibility for the project initiative; whether this and other changes in the organisation will overwhelm people's capacity to change; how change has been managed in the past and the reasons for success or failure in similar initiatives.

Planning the people side of change. Business change champions must be able to construct people-centred plans that build on the change assessment and support the technical, logistical and financial plans for the change. The plans should cover the development of people to support, learn, work through problems and eventually embed the solution in their daily work. The challenge is to gain the commitment of people, so the more

these plans are fully integrated, the greater the likelihood of a successful implementation.

Demonstrating personal adaptability. Business change champions will be under considerable pressure, both to change themselves and to help others to change quickly. They must be personally adaptable and able to cope with the rigours of their role.

Influencing others. Business change champions should be familiar with the different forms of influence they can use. This includes having informal discussions with people. They must be able to maximise the positive influence they can exert, in an ethical way, to gain power during the change. They must also be able to gain the support of top managers and work with sponsors – and project team members – to clarify expectations and agree responsibilities.

Coaching top managers. Business change champions should be able to advise and coach top managers on how they can show their commitment to the change. They must recognise and prioritise the change initiative as important, over and above other projects that may be fighting for attention.

Selecting champions

It is vitally important that organisations select and train the right people in these skills. The role of a business change champion is very important because these individuals – who should be highly credible in the organisation – will be helping to manage the inevitable ambiguity and uncertainty that major change brings.

The people side of change should not be left in the hands of traditional project managers. However, with additional skills – and a new understanding of change management – good project managers can become business change champions. This benefits them, as it puts them at the epicentre of their organisation's change agenda and dramatically increases their personal value. The organisation benefits by building the capability of its own people, creating a higher level of employee commitment to change and from implementing more successful change initiatives.

David Miller is Managing Director of Changefirst, a company which trains and supports managers to use a step-by-step methodology for implementing change. www.changefirst.com

How to address people issues in the project management life cycle

1. Project start up

Define the people scope of the change, including:

- The network of people who must deliver the change.
- The legacy of people-centred implementation risks and enablers.
- Levels of sponsor support.
- Comparison of potential solutions in terms of impact on users.

2. Initiating a project

Assess the overall change readiness and create the initial people-centred actions, by:

- Determining the target level of commitment required for stakeholder groups.
- Conducting a people-centred risk assessment or similar diagnostic.
- Determining the wider environmental and portfolio risks, such as change capacity and other change demands.
- Establishing communication, involvement and active sponsorship strategies.
- Establishing actions to mitigate low readiness.

3. Planning and managing delivery

Develop people-centred change interventions:

- Plan in detail the involvement, communication, training and reward interventions, describing the commitment target level, resources, sponsorship, outcomes and deliverables for each intervention.
- Execute the interventions to specification.
- Measure effectiveness.

4. Controlling stages and boundaries

Review the people measures and add or modify the people-centred actions:

- Measure the target commitment levels against the actual using appropriate diagnostics.
- Measure the behavioural changes required.
- Develop additional or modified people-centred actions to address the gap in actual versus target commitment.
- Check the key people milestones prior to training and prior to going live.

5. Closing the project

Undertake a final assessment to inform the follow-on recommendations.

Review the effectiveness of the people-centred actions and the lessons learned.

Source: Changefirst

Case study: Managing change projects in financial services

A leading credit card company has used PRINCE2 for IT development projects since 2001. It is now aiming to improve its ability to implement and manage projects by supplementing this with a structured change methodology that focuses on people-related issues. 75 business change champions have been trained to use the new methodology.

'Our sales revenues and profitability depend on the successful implementation of projects,' said a spokesman for the company. 'When projects run into problems, it is usually because of people-related issues, not technical difficulties. We've found that PRINCE2 is an ineffective way of assessing the people risks around change. It does not work for those purposes. Changefirst is a preferred supplier to our parent group and we liked their methodology.'

Changefirst trained 11 senior project managers and portfolio managers from the credit card company to become accredited change agents who can use its People-Centred Implementation (PCI) methodology.

The training was provided through a five-day development programme. It covered the nature of change; the critical success factors of change; the roles required; how to engage people; how to build understanding and commitment and how to support people as they undergo change.

'The PCI methodology gives you a much broader understanding of the factors that may lead to the change succeeding or failing,' said the spokesman. 'Life becomes easier because it makes you more successful at landing your changes on time.'

The credit card company first used the PCI methodology in 2004, on a project to improve its customer recruitment process. This was originally going to be a large IT operating platform migration but the company later changed the project scope and budget. Despite a spend of less than ten per cent of the planned budget, the project delivered over half of the original benefits.

Changefirst then provided an additional three-day 'train-the-trainer' programme, enabling the 11 change champions to provide training in the methodology to others internally. Now, 75 people have been trained at the credit card company through this cascaded approach.

'We started with a small number of people going through the course and we've now gained a good level of skill and momentum within the business by training up others ourselves,' said the spokesman. 'We have our own internal change champions and, as a result, we're very well equipped for change.'