

WHITE PAPER / ENTERPRISE CHANGE MANAGEMENT

GETTING THE MOST VALUE FROM YOUR EXTERNAL CHANGE RESOURCE

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There is a necessary and beneficial symbiotic relationship between a client and its contractor or consultant. But because organizational change is nuanced and complicated, it can be difficult to get the biggest bang for your company's buck. Fortunately, there is a way.



The goal for change practitioners is to see that the value of the project or initiative to which they are assigned is realized by the client. As such, the value of their change work lies in the business value of the project's or initiative's successful completion. Because of this, if a project does not require people to change how they do their job, then the client has no need for change management. However, if it does require shifts in people's mindsets, cultures, duties or locations, then the client will benefit from instituting change management practices.

People are complex, with an infinite number of mental and emotional variables. As shown in Figure 1, this requires certain knowledge to assist in moving people from their somewhat comfortable "current state" into this newly required "future state."

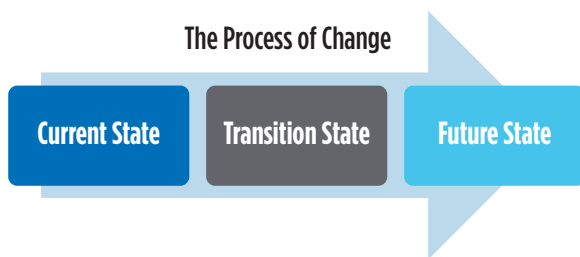


FIGURE 1: *Process of Change, adapted from a presentation by Daryl Conner, "Organizational Change: Installation vs. Realization."*

If an organization lacks the in-house resources or simply requires additional team members to navigate its people through the complexity of people-change — ideally from someone already knowledgeable in your industry's technology and vocabulary — then it will be necessary to hire outside help to supplement the effort. But what is the ideal team mix of resources?

Each change strategy and plan must be targeted and tailored to an organization or group. That strategy will determine a client's resource needs, but most change teams will generally consist of a mix of the roles, as seen in Figure 2.

Change resources must possess the right blend of technical know-how and social intelligence to quickly assess an organization, build trust and deliver quality plans.

Role	Description
Change Consultant	Outside resources hired by the owner to provide targeted change management expertise
Change Contractor	Fully integrated extension of staff and hired by the owner to supplement in-house experience on a contractual basis
FTE (Full-Time Equivalent)	In-house owner resources
Change Representative	Owner-appointed resource to act as liaison between internal and external resources

FIGURE 2: *Change Management Team Role Definitions – Author: Graham Bode.*

Critical to the success of the change manager, this unique combination of skills is difficult to find and even more difficult to retain.

Change management clients find the right supplemental support for a project and get that support up to speed quickly, allowing them to successfully operate within the project's unique culture. This is how a client can maximize the value of its change consultants or change contractors.

SYMBIOTIC RELATIONSHIP

The relationship between a client and a contractor or consultant is symbiotic. Half the value a consultant brings is the ability to leave at the end of the day, thus giving the consultant the power to say necessary things that may be career-limiting for full-time employees, but vitally important to an organization's change success. Keep in mind that the current state for any individual or team is the current state for a reason — it is comfortable and understood. Leaving this haven can rock the boat. Having an outsider, who has a different perspective, can help coach management teams to an envisioned future state.

TEAM STRUCTURE

Typically, a Change Management Office (CMO) would act as the central source to manage the change team, seen in Figure 3. In the absence of an in-house CMO, an owner's change representative can look out for the owner's best interest but understand the work required to achieve success.

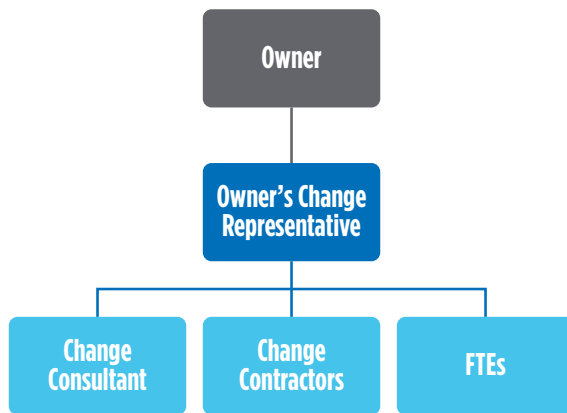


FIGURE 3: Change Management Team Structure: “Little Change Management Experience” —Author: Graham Bode.

The change representative can help develop the change strategy, structure a change team, act as a conduit between internal and external resources, review submittals, and manage the execution of the change plans. With this key member in place, the owner can rest assured that the change is managed by a knowledgeable and neutral party with the resources to successfully effectuate change. Most importantly, the owner's change representative will provide consistency and maintain engagement even when a contractor or consultant has left.

THE REASON FOR CHANGE MANAGEMENT

Projects that depend on people embracing, adopting and using the critical, technical solutions require the appropriate professional discipline. In the same way a car manufacturer does not teach a new driver how to drive, organizations should avoid relying on the same individuals who strictly deliver technical solutions to also implement them as it requires different skill sets and experience to coordinate, teach and implement successful, long-lasting changes throughout multiple teams at the same time. Simply put, the right people must be in place to garner success.

Change managers help capture the people-dependent return on investment, speed the pace of change, prevent loss of valuable employees and, most importantly, make sure the actual project objectives are achieved.

By looking through the lens of a change consultant and contractor, we can better see how each role operates. For one thing, a change consultant or change contractor cannot expect to remain on staff if its clients are not successful. Thus, a client gets a highly dedicated, built-in resource who wants nothing more than to deliver project or initiative success.

HOW TO QUALIFY YOUR CHANGE CONSULTANT OR CONTRACTOR

A consultant or contractor is inevitably motivated to sell their work to generate revenue and, hopefully, generate profits. There are numerous stories of unrealistic expectations set by a contractor or consultant during the selling process only to deliver subpar services once the project is acquired. To avoid the “overpromise and underdeliver” scenario, an owner must be cognizant of certain strategies to employ during the Request for Proposal (RFP) stage.

One way to do this is to provide clear-cut requirements for on-site contractors or consultants. Specifically:

- 1. Specify levels of experience.** Identify how many years of experience is required. A senior consultant may be the one creating the change strategy and delegating work to junior level specialists; in this case, a client must make sure to know who will be on the team and what role each will play. How many people will this consultant be bringing in? A client's employees should be fully engaged in the process; otherwise, the change efforts stop when the consultants leave.
- 2. Approve resources.** Put language in the RFP and contract indicating that the client retains the right to approve on-site personnel — by name and role — before they arrive.
- 3. Screen for facilitators and coaches.** A great deal of a change manager's job is to facilitate and coach. The actual senior change consultant who will be working on the job should be present during a presentation of RFP or contract to allow the client to check that skill.

4. Avoid industry buzz. The best consultants are clear-cut, straightforward communicators. Clients should be wary of buzzword dropping versus result displays.

5. Align methods. There are various methodologies, tool sets and approaches for handling change. A client should look for a consultant that has experience with multiple methodologies, allowing the consultant to tailor its approach to a client's specific needs.

6. Focus beyond the assignment. Is the contractor or consultant considering the long-term reinforcement required to retain change and promote future adoption? Specifically, there should be an "after-action" or "lessons learned" plan to transfer knowledge before it goes out the door. Just like projects at completion, change management generates insights that need to be discussed, documented and shared for future improvements.

HOW AN OPPORTUNITY IS QUALIFIED: GO/NO-GO DECISIONS

Like the owner, consultants evaluate the opportunities presented through the RFP process to determine if the fit is proper and advantageous. Beyond the simple economics of an engagement, consultants want to make sure that success is possible, and that their reputational brand can be maintained long after the project concludes.

The evaluation process for RFPs is sometimes referred to as the "go/no-go" discussion. Though each consultant will have its own set of motivations, triggers, risks and desired outcomes, there are questions from consultants that can be anticipated. Understanding the thoughts behind these questions can help in the development of successful RFPs.

1. Is there an existing relationship with the client? What is known about this client? What has been the past relationship with this client?

Entering into a professional agreement requires trust between both parties. This comes from relationships built over time. Hundreds of man-hours can be sunk into a single proposal with no guarantee of success. Before undertaking the proposal process, contractors and consultants must feel confident that the effort spent on a response is justified and provides an adequate chance of landing the project. The stronger the relationship, the

more confident the consultant will be that its proposal will be given fair due.

2. What is the long-term benefit of this project for our organization?

Beyond providing an immediate revenue stream, a project is often evaluated for its ability to provide new or lasting opportunities. This might be in the form of new relationships, repeat work or brand exposure.

3. Do we have the skill sets being called for?

Alignment of capabilities with project needs is a critical decision point. If the project cannot be successfully executed by available resources, a competent consultant should preclude itself from participating in the process.

4. Do we have the personnel and bandwidth to meet the deadline?

Resource management is a skill that all successful consultants must master. A consultant's workload is often cyclical and rarely constant — meaning it must have the ability to execute existing projects, while maintaining a consistent backlog that flows seamlessly from one project to the next.

5. What is the known competition in the bidding process and what is our advantage?

Evaluating the competitive landscape and selecting projects for which a firm provides the most value is key.

GETTING RESPONSES TO A CHANGE RFI OR RFP

From the consultant's or contractor's perspective, there is a much higher risk to engaging in ambiguous projects over well-defined, firmly scoped efforts. The respondent needs to anticipate the level of effort and expectations from the client to develop a successful plan. As such, when the project approach is unknown or unclear, consider an approach with two distinct phases:

Phase 1: Assessment, findings and change strategy.

Phase 2: Execution and implementation with reinforcement.

The first step for any change specialist is to assess. The specialist must know the basic culture, stakeholder engagement levels, known issues, suspected issues and skeletons of past change failures — all in order to properly tailor the change strategy to a group. This step is crucial to developing the overall scope of work required, as well as allowing those participating to plan accordingly.

Only when the effort has been assessed, scoped and strategized can the team start to execute the plans. Thus, when there is uncertainty on options or confusion on which solution to embrace, the client must ask for an assessment(s), discuss the findings and develop a strategy prior to moving into the execution and implementation phase.

This may require a separate proposal once the “assessment, findings and strategy” phase has been completed, but will inevitably create clear expectations from both sides. Remember, general language that makes a client’s request ambiguous and difficult to qualify, quantify and thus put a dollar figure to is only going to create confusion for both sides.

HOW TO GET EXTERNAL CHANGE RESOURCES UP AND RUNNING QUICKLY

Create a presentation to onboard a change manager quickly while also sharing potential roadblocks. Sharing these insights upfront will allow a change manager to navigate within the client’s culture and structure quickly and effectively. A client needs to share the challenges it knows about, not just the objectives. While normally a new hire might take months to fully learn the internal systems and culture, a consultant or contractor has days. Consider exploring methods to condense that knowledge transfer into a quick and effective mechanism.

1. Define future state. Within onboarding materials, a clear vision of future state must be included: What does success look like? What does done look like? Stakeholders must be engaged at different levels to find the main drivers behind the need for change. For instance, what most matters to the executive level may differ from that of a practitioner.

2. Share all issues. Be sure to consider past failed change initiatives. Good change management applied at the start

of any project can prevent most situations of resistance. Different mitigation tactics are required if resistance has built up and is now hardened. Sharing this information helps avoid further issues.

3. Establish measurements and KPIs. Agree upon precise assessments and metrics, or key performance indicators (KPIs), and insist on regular dashboard updates so that all stakeholders can measure the true value of change management. This is where graphically depicted information for quick communication and consumption can help.

In project management, KPIs are centered around delivering projects on time, on budget and on scope. These results look slightly different in change management. Clients should adopt metrics that show effective initial and continued adoption of the specific change initiative.

Some change management methodologies use a defined interactive dashboard to successfully track the change process. Most KPIs are homegrown and tailored to the specific project.

HOW TO PLAN FOR LONG-TERM SUCCESS PREPARE FOR THE SEPARATION UPFRONT

Like any temporary relationship, all parties should discuss the breakup before you start the work. Don’t neglect the imminent separation; instead, proactively plan for a smooth transition. Come to an agreement as to how that should come about and make sure you allow time for this transition.

Be sure that the proper tools and software to manage existing documents and continue producing new ones — such as graphics, surveys, reports, etc. — are in place. Document and outline the next steps for reinforcement and continued adoption.

The change manager should also host and conduct knowledge transfer sessions well before the planned departure date.

At the conclusion of the contract/project, the proper resources and internal knowledge should be in place.

All too often, a void is exposed once external resources disengage and the proper individuals are not identified and made aware of the need to fill those voids. To minimize this risk, identify the internal transition team and integrate those individuals with the consultant well before its time expires. Attempt to fully understand the vision and tactics employed by the consultant and practice them under the guidance of the consultant. This lasting knowledge will be beneficial well beyond the completion of the project.

EXPLORE CHALLENGES, NOT JUST GOALS

No one can fully control what happens during any change. This requires solutions that are a combination of sociology, psychology, philosophy, organizational development, adult learning and more.

High-performing employees may consider leaving amidst uncoordinated and miscommunicated change. Therefore, be willing to share challenges with those trusted to care for valuable assets. When preparing, equipping and supporting a client's most valuable and variable asset through trying circumstances, there will be challenges. The sooner these challenges are shared, the better the strategy will be.

SENIOR EXECUTIVES

Uncover the motivating factors that are driving the project from the executives' point of view. Likely, it's the potential absence of whatever value the specific project or initiative is designed to bring. Prepare to share pain points on this subject and understand how the collective team will be able to move toward the finish line.

When discussing the project with senior executives, a contractor or consultant should do so from the executives' point of view. Executives want to hear what is done and how it is delivered. They need their strategic initiatives done better, faster, and with less risk and resistance. A contractor or consultant should speak their language to make an impact.

CONCLUSION

Change management is a structured and formal discipline with a precise knowledge and experience base necessary for successful change implementation. This practice is

centered on the belief that to gain the full return on a project's investment, employees must be guided through the discomfort of change. Simply hoping that staff will accept a change is, in most cases, not effective.

Clients can increase the value of their change resources through proper onboarding, KPIs and team structure. Therefore, focus on hiring the right resource for the appropriate situation: a contractor when staff augmentation is needed; a consultant when technical experience is needed; a full-time employee when a change requires long-term enforcement. Clients should also consider a neutral owner's change representative who can look out for its interests but also understand the work required to achieve success.

BIOGRAPHY

DANA HOUSTON JACKSON, CCMP, PMP, Prosci CCP, is a senior change consultant at Burns & McDonnell. With more than 25 years of experience in project and change management, she focuses on helping companies overcome the struggles associated with implementing new projects and technologies. Her experience has led her to academia and multiple industries, including utilities, technology, construction and manufacturing.

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NICOLE CHAMOUN, Prosci CCP, is a land use planner at Burns & McDonnell, where she works closely with internal and external stakeholders to overcome the challenging circumstances of change. She has developed her talents in planning, problem-solving and communications during her more than 10 years of professional experience and applies her skills to execute successful outcomes in the environmental, land use planning and public involvement fields.