

Appendix

D

# Organizational Change Management



# Appendix D: Organizational Change Management

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## 1 Introduction to Organizational Change Management

Organizational Change Management (OCM) is a discipline which offers a structured approach that is aligned with the Project Management Institute project delivery lifecycle.

Organizational Change Management guides how organizations prepare, equip and support individuals to successfully adopt changes such as new behaviours, skills, expectations, implementation of new tools in order to drive a project’s success and outcomes. OCM provides a structured approach for supporting people in the organization. Stakeholders are more likely to buy into changes and commit to changes throughout a project lifecycle with a formal OCM in place.

Organizational Change Management refers to the management of organizational change and should not be confused with Change Control Management.

The City of Winnipeg has certified Change Managers located in every department who form a Change Management Working Group that is sponsored by the CAO. This group is a change management resource pool for projects. Its members are trained to apply tools and methods for change management within the change lifecycle framework.

Project Managers should know who their departmental Change Managers are, and should engage them in all the phases of the project’s lifecycle. For a list of departmental Change Managers, refer to the email distribution list in Microsoft Outlook, CITY-ADKAR-Change-Managers, or contact the Manager, Corporate Asset Management Office.

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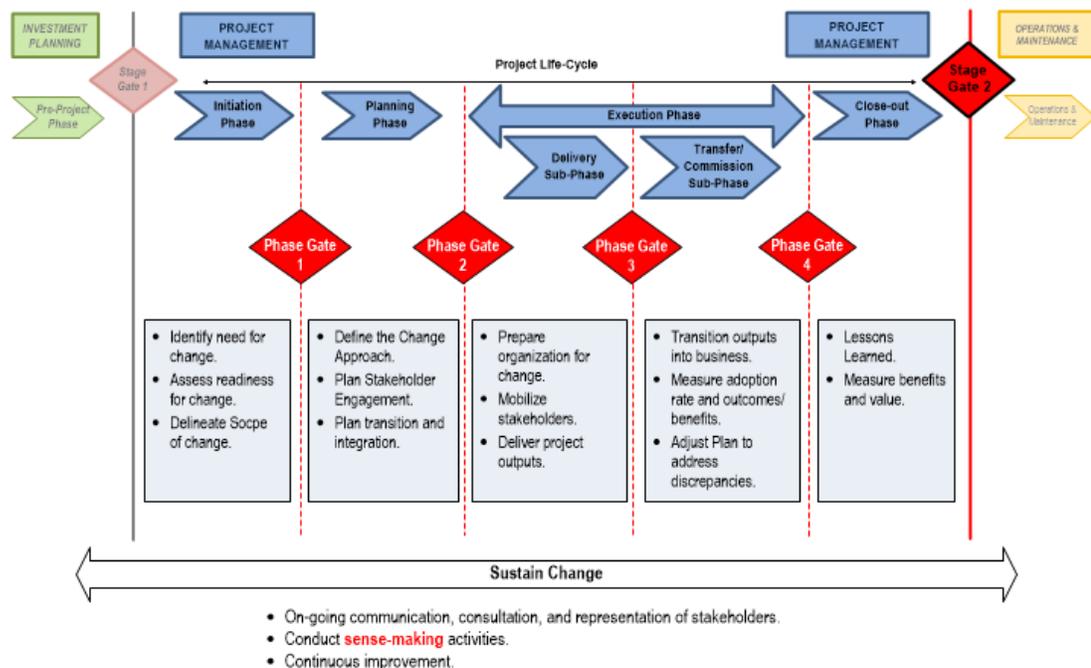
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### 1.1 Organizational Change Management Framework

The Project Management Institute recognizes that Organizational Change Management is an important feature of Project Management and successful project delivery. Without attention to change management, less than 40% of projects are successful. Therefore, the inclusion of Organizational Change Management activities within the project delivery model is essential for minimizing barriers to organizational change and for ensuring rapid and effective implementation of project outcomes.

Figure 1. Change Management Lifecycle Framework



### 1.2 Purpose

The purpose of Change Management is to:

- promote and enable the adoption of changes that may occur as the result of project delivery, and thereby to support the achievement of project results and outcomes.
- ensure that organizational change is managed in a consistent manner on all projects.

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### 2 Responsibilities

Role	Responsibility
Project Sponsor	Validates that a Change Plan is included in the Project Delivery Plan. Checks progress at specific milestone events during the project's lifecycle.
Project Manager	Develops an Organizational Change Management Plan. Executes the Organizational Change Management Plan.
Change Manager	Supports the Project Manager in developing the Organizational Change Management Plan in the Project Delivery Plan. Leads specific elements as defined.
Care and Control Owner	Receiver of the product or service. Provides a champion from within their organization to lead the group that is impacted by the change. Has authority to direct resources within the service area being impacted.

### 3 Organizational Change Management Process

The Organizational Change Management Project Delivery Process Chart in Figure XX shows the Organizational Change Lifecycle framework that should be used for City of Winnipeg Project Delivery. Details for each phase are described in this Procedure. The Organizational Change Lifecycle framework is based on *Managing Change in Organizations: A Practical Guide* (PMI, 2013b), and is therefore consistent with Project Management Institute practices.

#### 3.1 Initiation Phase

This section identifies the Organizational Change Management activities within the Initiation Phase of the project delivery model.

At this point in the project delivery lifecycle, the Project Manager should be aware that Organizational Change Management needs to be included in the Project Charter and in preliminary planning.

Project Sponsors should be informed that the project will feature Organizational Change Management expertise and deliverables throughout the project delivery lifecycle.

##### 3.1.1 Identify the Need for Change

The Project Manager (PM) should work closely with the Change Manager (ChM) to ensure that the Business Case and Project Charter are fully understood.

In order to understand the need for change, assess the organization's readiness for change, and to define the scope of the change, at a minimum, the Change Manager will need to:

- review the Business Case
- review the Project Charter

For example, the Change Manager will provide feedback on the content of the Project Charter to ensure that the Project Charter acknowledges the need to include organization change management effort within the project.

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### 3.1.2 Assess Readiness for Change

The Change Manager will conduct an organization readiness assessment to assess the organization's capacity for change based on:

- change characteristics of the project
- the organization's history of adapting to change
- Project Sponsor evaluation
- identification of change agents and stakeholders, etc.

Depending on the nature of the project, deliverables may include:

- a formal organization readiness assessment
- a gap analysis and risk assessment
- high-level change management and communication strategies
- a sponsorship engagement model
- a change management team model

Deliverables may be used by the Project Team to communicate with Project Sponsor and other stakeholders.

### 3.1.3 Delineate the Scope of Change

The Change Manager will delineate the scope of change from the review of the Business Case, the Project Charter, and in consultation with the Project Manager.

Factors such the number of employees affected by the project, the impact to processes, the need for process changes, etc., will need to be known in order to develop a comprehensible Organization Change Management Strategy and Plan.

The Project Manager should be prepared to gather relevant data for the Change Manager. The data may be included in the readiness assessment reports/deliverables.

## 3.2 Planning Phase

This section describes the planning activities and deliverables typically conducted by the Change Manager in the Planning Phase of the project delivery process.

Planning is the strategic part of the project management lifecycle. Its final result is the Project Delivery Plan that sets the framework for the rest of the project lifecycle. Organizational change is a process of transforming an item or process from its current state through a transitional period to a future state.

In the Planning Phase, the subjects of the change are operating within the current state. At this point in the project, it is important that the Project Sponsor ensures that Stakeholder requirements are well defined and addressed, and that Organizational Change Management best practices are embedded in the Project Delivery Plan.

The Project Manager must maintain a close working relationship with the Change Manager in order to understand the Organizational Change Management work that needs to be embedded within the Project Delivery Plan.

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### 3.1.1 Define the Change Approach

An approach based on the assessments, analysis and high level strategies developed in the Initiation Phase will address the ways in which Stakeholders will be informed, educated and trained about the change.

The change approach will also identify the model and structure for the Organizational Change Management Team. Not all projects and changes are the same, thus the Change Manager will define an approach that is appropriate for the specific project.

Deliverables included in the Project Delivery Plan:

- coaching and training plans
- Project Sponsor roadmaps which identify Project Sponsor engagement requirements throughout the project
- mitigation plans that address barriers to change

### 3.1.2 Plan Stakeholder Engagement

Stakeholder engagement is needed to provide complete, accurate and consistent information about the project and the change.

The Change Manager will work with the Project Manager and Project Sponsor to develop a Communication Plan that describes what messages regarding the change need to be communicated to stakeholders.

The Communication Plan may be a separate deliverable or the messaging might be included in the Project's Communication Plan.

The Project Manager should consult with the Change Manager throughout the Project Planning Execution Phases to ensure that Organizational Change Management communication issues are addressed during project delivery.

### 3.1.3 Plan Transition and Integration

It is well-known that change is perceived as difficult.

The purpose of this phase is to help Stakeholders understand that the transition to the future state is temporary and that the future state will address deficiencies that exist in the current state.

The role of the Change Manager is to develop a Transition Management Strategy as part of the Organizational Change Management Plan. The strategy is intended to help Stakeholders understand the need to abandon the current state and that it is important to manage difficulties associated with the transition in order to realize the benefits of the future state.

## 3.3 Execution Phase - Delivery Sub-phase

This section outlines the Change Manager's role in taking action and implementing the plans that were developed in the Planning Phase.

The primary role will be to work with the Project Team to ensure that Organizational Change Management products and outcomes are delivered in such a way as to support successful project delivery.

During the Delivery Sub-phase, the Organizational Change Management process moves into a transitional state where the changes effected by the project begin to be realized within the organization. Groups and individuals may need to change the way they perform tasks, for example, which may lead to increases in stress levels and anxiety.

Communication to increase awareness about the change, and training and coaching programs to prepare those affected by the change, are important activities in this phase.

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### 3.1.4 Prepare Organization for Change

The Change Manager will ensure that Organizational Change Management Plans are implemented so that employees are aware of the change and that they are aware of what training and coaching will be available to ensure that they have sufficient knowledge and ability to adapt to the future state.

Preparing for change also involves ensuring that the right training and coaching is delivered to the appropriate groups and individuals.

### 3.1.5 Mobilize Stakeholders

The Change Manager will typically act as a coordinator to mobilize Stakeholders by monitoring and coordinating ongoing communications that create and sustain awareness and to monitor and coordinate access to training and other programs that are developed to assist the adaptation to the future state.

The Change Manager will be assessing adaptation to change, looking for gaps and points of resistance in order to transform resistance into support for desired project outcomes and benefits.

### 3.1.6 Deliver Project Outputs

The Change Manager will use Organizational Change Management tools and expertise to assist the Project Manager in delivering project outputs through higher levels of adoption and usage.

## 3.4 Execution Phase – Transfer/Commission Sub-phase

This section describes the typical activities undertaken by the Change Manager in the Transfer/Commission Sub-phase.

Many of the Organizational Change Management activities that were undertaken in the Delivery Sub-phase will continue in the Transfer/Commission Sub-phase.

Additional activities include:

- collecting and analyzing feedback about the change (for example: go-lives, and cut-overs),
- involve collecting data to evaluate training programs, preparedness,
- analyzing Organizational Change Management effectiveness, etc.

### 3.1.7 Transition Outputs into Business

During the time that the outputs of the project are transitioned into the future state environment, the Change Manager will diagnose gaps where adaptation is lacking and needs additional change management support.

Deliverables may include:

- gap analysis
- risk mitigation plans
- compliance audits

The Change Manager may also develop action plans for enabling Project Sponsors and coaches to sustain adoption of the change in situations of resistance.

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### 3.1.8 Measure Adoption Rate and Outcomes/Benefits

The Change Manager will need to evaluate the effectiveness of Organizational Change Management to assess the adoption rate to the change. The Change Manager will determine if Organizational Change Management Plans need to be adjusted or augmented to ensure that Stakeholders have the knowledge and ability to adapt to the change.

### 3.1.9 Adjust Plan to Address Discrepancies

The Change Manager will implement actions necessary to move successfully out of the Transfer Sub-phase and into the 'new' current state (production) by addressing any gaps that are identified.

Deliverables may include corrective action plans for areas where adoption to the change is more difficult to sustain.

## 3.5 Close-out Phase

This section describes the Organizational Change Management activities during the Project Close-out Phase.

### 3.1.10 Lessons Learned

The Change Manager will participate with the Project Team in evaluating the effectiveness of Change Management in the project delivery process.

### 3.1.11 Measure Benefits / Value

The Change Manager will measure the benefits and value of Organizational Change Management to the project.

## 4 Sustain Change

Sustaining change involves a set of on-going activities that begin at Initiation, continue through Execution and continue into sustainment after the project closes.

Activities may include:

- Ongoing communication, consultation and representation of Stakeholders;
- Conducting sense-making activities – as defined in *Managing Change in Organizations: A Practical Guide (PMI, 2013b)*: “conversational and social practices that enable individuals and groups to make sense of what is happening around them.”
- Assessments and actions for continuous improvement.

The Project Manager should consult with the Change Manager for advice on reinforcing change through effective communication, organizational assessment, and strategies for sustaining change after project completion.

## 5 References

Document #	Document Name	Location

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