

**Planning Transformational Change**



You make the change I we make the difference

**Planning Transformational Change**

**DLVR\_REC\_000257**

**CMMI Made Practical 2009**

If you're starting a business improvement initiative then you've got a 3 in 20 chance of succeeding. That's what an in-depth study from the Software Engineering Institute found. Your organisation is faced with today's paradox: never has the need to improve business performance been greater but rarely has there been a time when every investment must deliver a return.

Luckily, one of the ways you can derisk your project is to learn from the successes and mistakes of others.

This document consolidates the experience of over 30 people with experience of delivering transformational change. It is a practical checklist, which can be used to review a planned or live improvement initiative.

We believe that it will help anyone who is planning or delivering a process improvement initiative.

**Version 1**

**7 May 2009**

## Planning Transformational Change

### Confidentiality

This document is confidential and proprietary to Lamri Limited. It is not to be used, reproduced, or disclosed outside Lamri without the written consent of Lamri Limited. The information in this document is furnished for use by Lamri personnel, or by a customer under a license agreement with Lamri.

### Document Control

<b>Title</b>	Planning Transformational Change	<b>Doc Ref.</b>	DLVR_REC_000257
<b>Author</b>	Frank Johnstone	<b>Template</b>	LBIP_TEM_00032
<b>File Ref.</b>	DLVR_REC_000257_planning_transformational_change		

Approval Panel	
Owner	Role
Frank Johnstone	Head of Delivery
Approver	Role
Graham Dick	Director
Andrew Griffiths	Managing Director

Change History				
Version	Status	Date	Author / Editor	Details of Change <i>(brief detailed summary of all updates/changes)</i>
1	Approved	7 May 2009	Frank Johnstone	Approved for issue

## Planning Transformational Change

### Table of Contents

<b>1</b>	<b>INTRODUCTION .....</b>	<b>4</b>
1.1	Background .....	4
1.2	Purpose of this document.....	4
1.3	How the document works .....	4
1.4	Acronyms, terms and definitions .....	4
1.5	References.....	5
<b>2</b>	<b>PLANNING TRANSFORMATIONAL CHANGE CHECKLIST .....</b>	<b>6</b>
2.1	Why should you change and what change do you need?.....	6
2.2	How to build real and continued top management support.....	8
2.3	How to move from talking about process to improving business performance through process adoption.....	10
2.4	How to make improvement simple so everyone in your organisation gets it .....	13
2.5	How to use reporting to make sure that there are no hiding places for those who don't want to improve .....	14
2.6	How to keep it going .....	16
2.7	How do you know you are changing? .....	16

## Planning Transformational Change

# 1 Introduction

## 1.1 Background

This document was developed by a workshop held at the 2009 CMMI Made Practical conference. Workshop participants came from France, Germany, Norway, the UK and the US and were drawn from several government departments and many industries. They covered a gamut of roles, including head of operations, engineering director, programme manager, business improvement director, portfolio manager, consultant, lead appraiser and quality manager.

The workshop was rated “excellent” by more than two thirds of the participants. One of the ingredients of the success was that participants built upon each others’ ideas and used constructive challenge to elicit more insights. The workshop’s whole was therefore greater than the sum of its high calibre parts.

## 1.2 Purpose of this document

This document will help anyone who is planning or delivering a process improvement initiative. The document is a checklist, which can be used to review a planned or live improvement initiative.

## 1.3 How the document works

The document is structured around the seven topics explored in the workshop, namely:

- Why should you change and what change do you need?
- How to build real and continued top management support.
- How to move from talking about process to improving business performance through process adoption.
- How to make improvement simple so everyone in your organisation gets it.
- How to use reporting to make sure that there are no hiding places for those who don't want to improve.
- How to keep it going.
- How do you know you are changing?

To support use of the document in practice as a basis for reviewing a planned or in flight improvement initiative, the document is structured as a checklist. One way of using the checklist is to go through the criteria, rating each one either:

- OK – the improvement initiative meets the criterion.
- Concern – the improvement initiative conflicts with this criterion.
- Opportunity – can we reuse this tactic on the improvement initiative?
- N/A - Not applicable – does not apply to the improvement initiative.

Do not be concerned if your improvement initiative does not meet all the criteria – because the experience of the workshop participants was so diverse it is unlikely that each criterion will be applicable to all organisations or initiatives.

## 1.4 Acronyms, terms and definitions

Abbreviation / Term	Definition
CMMI	Capability Maturity Model Integration

**Planning Transformational Change****1.5 References**

Ref.	Description	Issue or Doc. No.
DLVR_PRE_000214	Planning Transformational Change Conference presentation, available on the <a href="#">CMMI Made Practical website</a>	Version 1 28 April 2009

## Planning Transformational Change

## 2 Planning transformational change checklist

### 2.1 Why should you change and what change do you need?

Criterion	OK	Concern	Opportunity	N/A
Understand the driver for change and the trigger. <ul style="list-style-type: none"> <li>• Driver: why do we need to do this change?</li> <li>• Trigger: why do we need to do this change now i.e. cannot postpone?</li> </ul>				
Inverse the question. Script a convincing reason why your organisation cannot avoid changing.				
Express the need to change from multiple perspectives – describe how the change will feel like for your customers, employees, management.				
Identify and rule out the alternatives to change.				
Some common reasons for change: <ul style="list-style-type: none"> <li>• The world moves on; you must change to maintain existing position.</li> <li>• A catastrophe forces change (e.g. sudden reduction in profit caused by economic conditions).</li> <li>• Grow the business (increase revenue).</li> <li>• Increase profitability (bigger margin)</li> <li>• Keep pace with the competition.</li> <li>• Get ahead of the competition.</li> <li>• Restructuring the business – e.g. consolidation of units.</li> <li>• Projects getting bigger and more complex – multi-country deployment.</li> <li>• Make off shoring/outsourcing work.</li> <li>• Meet customer requirements/delight the customer.</li> <li>• Banish complacency – get people to see the need for improvement.</li> </ul>				
Develop a “strapline” for change and include in all communications. Everyone in your organisation should be able to describe why you are doing this initiative in three sentences.				
Avoid moving too fast. <ul style="list-style-type: none"> <li>• Are you sure you have allowed enough time for the change to stick?</li> <li>• Is there a risk that people are just “ticking boxes” – doing the least to avoid personal criticism?</li> <li>• “More haste equals less speed” – give time to do things right.</li> </ul>				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
Focus your initiative on things that everyone agrees need fixing. Target real specific issues and avoid vague generalities like “better delivery”.				
Does your organisation allow periods of continuity? <ul style="list-style-type: none"> <li>Don't stop, rest – allowing things to institutionalize before moving on.</li> <li>Constant change can create inertia as people never see the need to adopt new ways of working because “it will change again tomorrow”.</li> </ul>				
Use the CMMI model to help you plan what to change: <ul style="list-style-type: none"> <li>The informative text in the model provides useful guidance.</li> <li>Remember, the model is a tool not an end in itself.</li> </ul>				
Be realistic about how quickly your organisation will accept change. <ul style="list-style-type: none"> <li>Reconcile your needs with capacity to change – you won't be able to tackle everything at once.</li> <li>Consider budget, available expertise and culture.</li> </ul>				
Aim to get benefits early – quick wins help to build momentum.				
Spread the cost of the improvement initiative across multiple areas/budgets.				
Avoid believing that technology change will be a “magic key” – focus needs to be on changing the people.				
Don't target the biggest, high profile issues in your organisation first, unless you are really sure you can fix them (this is unlikely).				
Avoid setting unrealistic targets.				
Avoid multiple change initiatives using different models De-clutter by stopping parallel initiatives that address the same issue.				
Don't lose sight of the real target – measurable business improvement – in the push to achieve a particular maturity level.				
Try to avoid having a budget line titled “CMMI” – it's likely to be an early target for cost cutting. Spread the improvement costs throughout operational budgets. The cost of improving requirements management should be in the System Engineering budget, not the Business Improvement budget.				

## Planning Transformational Change

### 2.2 How to build real and continued top management support.

Criterion	OK	Concern	Opportunity	N/A
<p>Customise how you sell the change for the various parts of your organisation.</p> <ul style="list-style-type: none"> <li>Tell the engineering director about what this will do for engineering.</li> <li>Tell the programme management director about how this will improve management of programmes.</li> </ul>				
<p>Get your top management involved in the governance of this initiative.</p> <ul style="list-style-type: none"> <li>As sponsors.</li> <li>As a steering committee.</li> <li>If they do not have enough time to commit then consider two roles of strategic sponsor (top manager) and operational sponsor (credible senior manager for day to day sponsorship).</li> </ul>				
<p>Put someone senior in charge of running the improvement programme.</p> <ul style="list-style-type: none"> <li>A respected and experienced programme manager?</li> <li>An identified organisational talent (top manager of the future)?</li> </ul>				
<p>Bring in peers of your top managers from friendly organisations with improvement success stories to tell.</p>				
<p>Use consultants' influence judiciously.</p> <p>Top managers sometimes listen to messages when related by someone external but ignore the same messages from people within the organisation.</p>				
<p>Ensure that top managers understand that process improvement is continual</p> <p>Process improvement is not a project that will end but a new way of doing operations.</p>				
<p>Show how the improvement will positively impact the financial performance of the organisation (the "bottom line")</p>				
<p>Top managers rotate too.</p> <ul style="list-style-type: none"> <li>Succession planning must keep up the momentum.</li> <li>As new managers come in make sure they buy into the change process.</li> </ul>				
<p>The people running the improvement initiative must be flexible.</p> <p>Avoid becoming the "change resistant change agents".</p>				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
<p>Know and use the language of the day.</p> <p>Understand priorities and make the improvement project solve top managers' problems.</p> <p>If there is a perceived problem with bureaucracy then the focus is process simplification: "process improvement" becomes "bureaucracy busting".</p>				
<p>Get top managers on the record – a public commitment is difficult to revoke.</p>				
<p>If you can't get hearts and minds then a body will do.</p> <p>Stage manage top managers – get them to front key workshops.</p>				
<p>Hijack corporate communications to ensure that the improvement project is mentioned. Script statements from top managers.</p>				
<p>Build a coalition for change.</p> <p>Useful potential allies: Internal Audit, non-executive directors, customers.</p>				
<p>Financial incentives work – tie improvement success into top managers' bonus.</p>				
<p>Use the organisation's personal performance management system.</p> <p>Top managers need objectives associated with the improvement initiative.</p>				
<p>Incorporate the improvement initiative into the organisation's dashboard/balanced scorecard.</p>				
<p>Competition works.</p> <p>Use reporting (audit results, closure of improvement actions).</p>				
<p>Make sure that the commitment of the very top manager in the organisation (for example the Chief Executive) is on the record. Opposing the improvement initiative is therefore not a good career move.</p>				
<p>Deal with the blockers (top managers who oppose the change actively or passively) but don't allow the blockers to be a focus.</p> <ul style="list-style-type: none"> <li>• Ignore blockers – allow them to get left behind.</li> <li>• Separate the motive (blocking) from the message – the blocker may have a point.</li> <li>• Treat blockers with good nature – don't let them stress you.</li> <li>• Give a blocker the opportunity to change position and start to support.</li> </ul>				
<p>Show where top managers have changed behaviour.</p> <p>For example when the management meeting starts being minuted.</p>				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
Watch out for over-promising what the improvement project will achieve (“cultural change” or “300% increase in efficiency”) – they will have heard this before about projects that have failed.				
Talk their language. Avoid turning them off. Many people have bad CMMI experiences. “Quality is very 1980s”.				
Avoid top managers reinforcing behaviours that conflict with the improvement initiative – recognising hero projects or running chaotic meetings.				
Be convincing without being a zealot (or “process nerd”) or you will seem divorced from the realities of the business.				

### 2.3 How to move from talking about process to improving business performance through process adoption

Criterion	OK	Concern	Opportunity	N/A
<p>Aim for just enough quality.</p> <ul style="list-style-type: none"> <li>• Get the process (just) good enough and start using it.</li> <li>• Remember, the perfect process does not exist, don't try and build it.</li> <li>• Further quality improvement will happen as the process is used and continuously improved.</li> </ul>				
Use time-boxing to keep up the pace and achieve just enough quality.				
<p>Use small groups of representative managers and practitioners to develop the process. Try the three workshop approach:</p> <ol style="list-style-type: none"> <li>1. Sketch the process in outline.</li> <li>2. Elaborate the sketch.</li> <li>3. Review and agree the write up from the second workshop.</li> </ol>				
Include people who have got issues with the current ways of working in the process development group: “the victims”.				
Use members of the process development group to communicate the launch of the new process and assist in its roll out. This enables members of the organisation to see that “real people” have developed the process.				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
<p>Manage change to processes.</p> <ul style="list-style-type: none"> <li>• Implement a lightweight release schedule for process.</li> <li>• Establish a process for managing change requests to process.</li> <li>• Make explicit what is the published version of process that people must work to (people should not be working to unpublished drafts).</li> </ul>				
<p>Ensure that processes are endorsed by management.</p> <ul style="list-style-type: none"> <li>• Top managers communicate to the organisation “these are our processes and we will use them”.</li> <li>• Programme/project managers communicate to their teams “these processes are how the project will be run”.</li> </ul>				
<p>If the process is not based on practice that exists somewhere in your organisation then it will be very difficult to get it to stick. The following approaches should therefore be considered high risk:</p> <ul style="list-style-type: none"> <li>• Focusing on a tool: “implement the tool and the process will follow”.</li> <li>• Bought in process.</li> <li>• A new process developed from a “blank sheet of paper”.</li> </ul>				
<p>Using the process is part of peoples’ day jobs.</p> <p>Only appraisals and perhaps new process development should be funded by the improvement project. Adopting the process is funded by the “line”.</p>				
<p>Use process adoption workshops – the purpose of the workshop is to perform the process rather than just train or discuss:</p> <p>A good tactic is to use a laptop and projector – for example fill out a risk log online or produce an initial draft of a project plan.</p>				
<p>Build on what’s there already – don’t reinvent.</p> <ul style="list-style-type: none"> <li>• Start by writing down the way the work is done already.</li> <li>• Prove new process in a project before codifying it.</li> <li>• Build new process incrementally – reduce the adoption burden.</li> </ul>				
<p>Use the “best of breed” approach.</p> <p>For example ask each member of your process development group to bring along the configuration management plan from their project and then the group will select the best as the organisational standard.</p>				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
<p>Introduce the process on pilot projects first.</p> <ul style="list-style-type: none"> <li>• Prove the process in real projects before wide deployment.</li> <li>• Focus scarce process improvement resources so that adequate support is provided during the initial roll-out.</li> <li>• Build a body of exemplar work products and internal process experts.</li> </ul>				
<p>Make sure that the process improvement initiative uses all the processes.</p> <ul style="list-style-type: none"> <li>• Set up the process improvement initiative as a project.</li> <li>• Ensure that the project team exemplify process based working.</li> </ul>				
<p>Make sure reward/recognition reinforces process use.</p> <ul style="list-style-type: none"> <li>• Reward/recognise those who use the process and are exemplars of the new way of working – not the “cavaliers”.</li> <li>• Use of process must be an important component of individual performance management and also promotion decisions.</li> <li>• Use small rewards – e.g. recognise process adopters in the newsletter.</li> </ul>				
<p>Don't allow people to believe “process is an overhead”.</p> <p>Process is not in addition to people's “day jobs”. It is their “day job”.</p>				
<p>Identify the excuses given about why the process cannot be adopted, investigate them and prove that they are not real or fix them. Example excuses:</p> <ul style="list-style-type: none"> <li>• We don't have the tools.</li> <li>• The customer will not let us work in that way.</li> <li>• The process repository is not usable.</li> <li>• We must do it that way or we will lose our ISO certification.</li> </ul>				
<p>Don't let people hide behind technology issues.</p>				
<p>Don't “throw away previous work” – review and reuse the useful bits.</p>				
<p>Work with those people that are willing or can be easily persuaded.</p>				
<p>Move the people who won't accept the change to other parts of the work, away from the pilot projects.</p>				
<p>Everyone must make the process work (parts of the process will always be OK).</p>				
<p>There needs to be an easy to use way of submitting process feedback.</p>				
<p>Show that you are taking action on feedback submitted about the processes. Communicate how many improvement requests have been incorporated.</p>				

## Planning Transformational Change

### 2.4 How to make improvement simple so everyone in your organisation gets it

Criterion	OK	Concern	Opportunity	N/A
<p>Consider keeping CMMI in the background</p> <ul style="list-style-type: none"> <li>Use CMMI as a tool within the improvement team.</li> <li>Call the project business/process improvement/establishment.</li> </ul>				
<p>Build processes around the business not the CMMI model. For example:</p> <ul style="list-style-type: none"> <li>A “Managing Projects” policy is better than having policies for “Project Monitoring and Control” and “Integrated Project Management”.</li> <li>Don’t have a “Decision Analysis and Resolution” process.</li> </ul>				
<p>Keep your processes coherent through establishing a process architecture.</p> <p>A process architecture is “the set of key concepts that are used to define the company processes and the rules for structuring and organising them. (...)”.</p> <p>The role of the process architecture is to simplify not add more complexity.</p>				
<p>Keep your processes usable through establishing a house style. For example:</p> <p>“Our house style means that there are no complicated diagrams or obscure language. We describe what to do and not all details of how things are done, we describe “just enough” to support our objectives and do this in plain business English”.</p>				
<p>Present a role based view of your processes – for example a programme manager can search the process catalogue to identify those processes that he/she should perform.</p> <p>However, keep the roles generic (“programme manager”) rather than specific (“senior portfolio manager”) or the role based view of the processes will be obsolete when the organisational structure changes.</p>				
<p>Include orientation in the processes in the induction for new joiners.</p>				
<p>Don’t get hooked on the complexity.</p> <p>You’ve got a problem when people are talking in CMMI practice references.</p>				
<p>Avoid constraining standards for your process.</p> <ul style="list-style-type: none"> <li>The “sweet spot” that balances formality and understandability is closer to understandability!</li> <li>Don’t force diagrams – in many situations words are simpler.</li> <li>Too many boxes and you’ll end up putting in words to fill the space.</li> </ul>				
<p>Harvest example work products and publish with your processes.</p>				

## Planning Transformational Change

### 2.5 How to use reporting to make sure that there are no hiding places for those who don't want to improve

Criterion	OK	Concern	Opportunity	N/A
Find a simple metric that senior managers will understand. Define a single currency for change: gaps or actions are good currencies. “Better to manage by exception than not to manage at all”.				
Report both the delivery of the process improvement initiative and improvement of business performance. <ul style="list-style-type: none"> <li>• Delivery of the process improvement initiative – are we doing the change that we committed to do?</li> <li>• Business performance improvement – is the business getting better as we make change?</li> </ul>				
Reporting progress of the process improvement initiative: <ul style="list-style-type: none"> <li>• Report regularly to keep up the drum beat. Weekly or fortnightly.</li> <li>• Integrate with organisational measures such as cost and delivery</li> <li>• Make it relevant - e.g. reporting late actions by department.</li> </ul>				
Reporting business performance improvement: <ul style="list-style-type: none"> <li>• Start collecting data early in the improvement journey.</li> <li>• Keep it very simple.</li> <li>• Few data points.</li> <li>• Try customer satisfaction, schedule predictability, cost predictability.</li> </ul>				
Focus on a few vital measures – include no clutter.				
Supplement simple quantitative measures with key qualitative information. Focus on reporting successes and exceptions.				
The frequency of reporting must balance the need to maintain momentum and identify corrective actions while not creating a huge reporting overhead. Aim to report progress either weekly or once every two weeks.				
Help people to take action based upon your reports. Try the following: <ul style="list-style-type: none"> <li>• Graphs.</li> <li>• RAG status – traffic light reports.</li> <li>• Travel indicators (trend arrows showing whether performance is better, worse or the same as the last report).</li> <li>• Drift charts to show the journey – planned changes versus actual.</li> </ul>				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
<p>Use interesting commentary in your reporting to attract attention.</p> <p>“A positive week from Programme Management Unit has saved the process improvement project from going red this week. However, the risk of process improvement going red at this critical late stage is still great. Programme Management Unit must make major inroads into the 32 gaps due next week to prevent this happening: massive task. “</p>				
<p>Report the “1000 small steps”. Each week set out a sample of the incremental business improvements made. This reminds the readers of your reports that each change is bettering the organisation. Example:</p> <p>“The programme has had a long standing problem with establishing configuration management baselines on projects. In response to one of the CM gaps, the Baseline Log template was developed. This is now being used on focus projects. It is also published on Processes and Methods for uptake by all projects”.</p>				
<p>Make sure that process improvement is an item on the agenda for the appropriate senior management meetings e.g. programme board.</p> <ul style="list-style-type: none"> <li>• Don't allow process improvement to be relegated to its own meeting (people won't attend and it suggests that process improvement is separate from operations).</li> <li>• Watch that process isn't the last item on the agenda of management meetings.</li> </ul>				
<p>Avoid the complexity of the metrics exceeding the organisation's measurement capability.</p>				
<p>Don't tinker unnecessarily: leave the metric alone as much as is possible, so that trends over time can be observed.</p>				
<p>Watch out for focusing on delivery of the improvement programme at the expense of business performance improvement. This can drive people to “tick the box” rather than really improve.</p>				
<p>Focus on data integrity: inaccurate information entering the metric at source (errors in submissions) or senior management manipulation (changing the results to suit desired outcome)</p>				
<p>Don't get hung up on isolating the impact of process improvement on better performance (“causation”) – be content to prove association!</p>				

## Planning Transformational Change

### 2.6 How to keep it going

Criterion	OK	Concern	Opportunity	N/A
Have a plan – simple.				
Stick to the plan. Have courage. Maintain sponsor constancy. Don't deviate from the plan when the going gets tough – have faith and find ways to make the plan work.				
To the person who is leading the change – “be prepared for it to be lonely”. Make sure that the change leader has a friendly individual who he/she can speak openly about how she/he feels.				
Communicate progress – don't let it go quiet.				
Celebrate success as you go. Talk up small but real successes. Reality follows perception.				
Fix problems quickly – get early results. Easy and obvious. Sort the things that people complain about.				
Never re-launch – it will sink!				

### 2.7 How do you know you are changing?

Criterion	OK	Concern	Opportunity	N/A
Make your improvement plan outcomes based. Track delivery of outcomes not activity.				
Listen to your customers; they will notice the impact of change. Perceptions are important.				
Use appraisals to objectively measure improvement.				
Appraisals also are a good opportunity to collect perception (“what's changed”, “what could improve”) to indicate cultural shift.				
Use the staff satisfaction survey to gauge staff reaction to change. How are the “whinges” changing?				

### Planning Transformational Change

Criterion	OK	Concern	Opportunity	N/A
Tracking effort and cost will be necessary, but don't assume that effort expended always equates to achieving real change.				
Have the right number of appraisals: <ul style="list-style-type: none"> <li>• Don't treat appraisals as a one-off final exam – use them to check progress and expedite change.</li> <li>• Don't overdo appraisals; try to maintain a "level of ceremony".</li> </ul>				
Don't ignore bad news - investigate the causes and take appropriate action.				
Don't "spin up" every small step into a triumph; people will stop believing your message.				
Listen to the "whinges" and manage them: <ul style="list-style-type: none"> <li>• Don't discount negativity.</li> <li>• Don't allow the whinges to determine your priorities.</li> </ul>				
The following are good indicators that change is happening: <ul style="list-style-type: none"> <li>• Succession is seen as less of a problem.</li> <li>• Human single points of failure are seen as less of a problem.</li> <li>• Employees move between roles as skills are transferable.</li> <li>• Employees mention factors other than people ("my colleagues", "everyone pulls together") when asked to name positive things about their organisation ("communication", "process").</li> <li>• Less general whinges and more specific improvement ideas submitted.</li> <li>• People start asking questions – the improvement team can become more reactive to demand rather than always generating momentum.</li> </ul>				