

Fixing the Airplane

While Its in the Air

Eric Walker, VP Corporate Services, PATH

Paul Goldberg, Principal, Paul Goldberg & Associates, LLC



Agenda

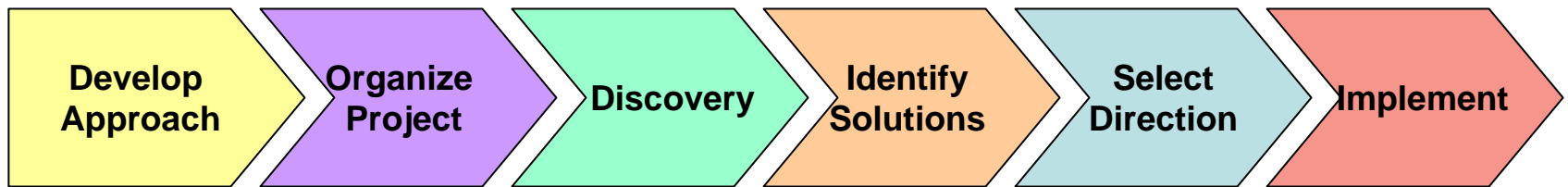
- Session Objectives
- Model to Tackle Problems
- Why Projects Fail
- Conditions for Success
- Case Study: PATH Information Technology
- Q&A

Session Objectives

For you to:

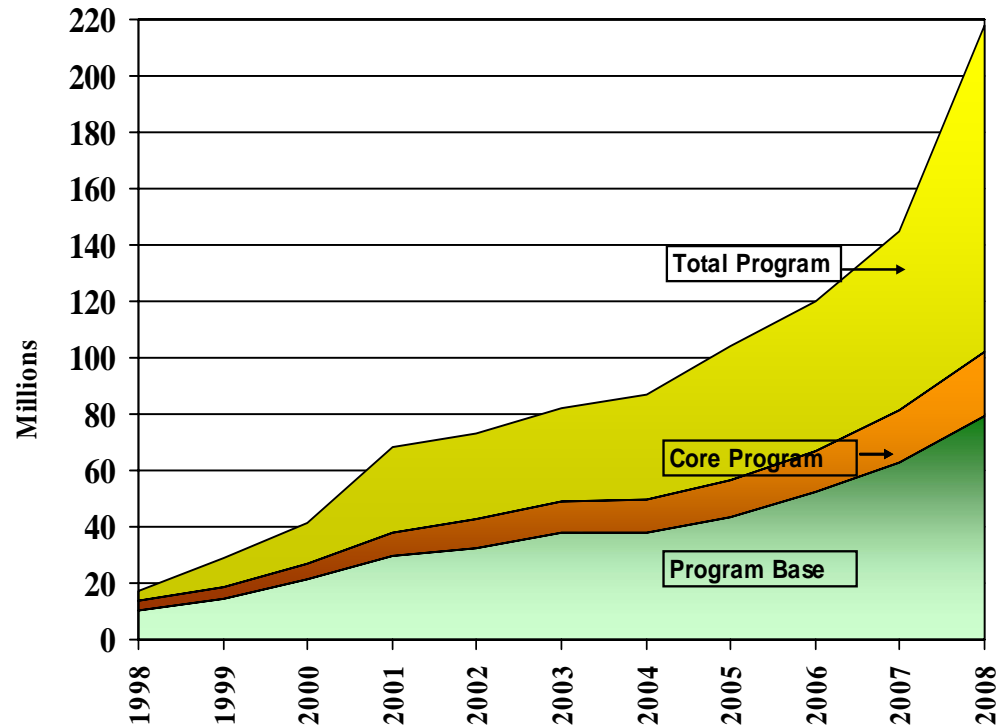
1. Walk away with real world information easily transferable to your organization and situation
2. Understand different approaches to address current problems
3. Feel more comfortable in taking on problems

Model to Tackle Problems



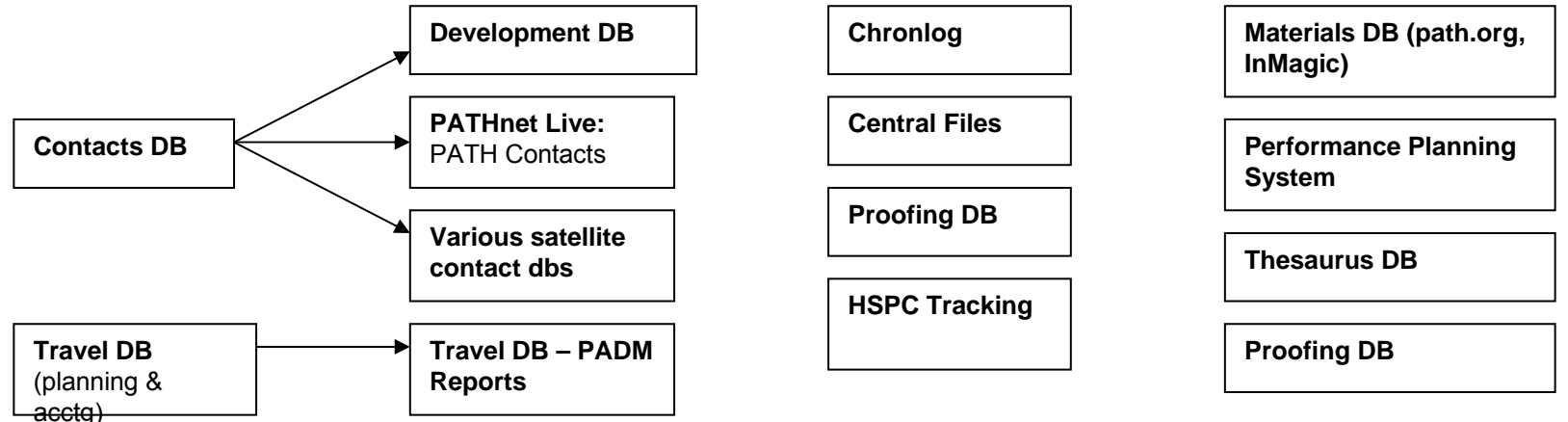
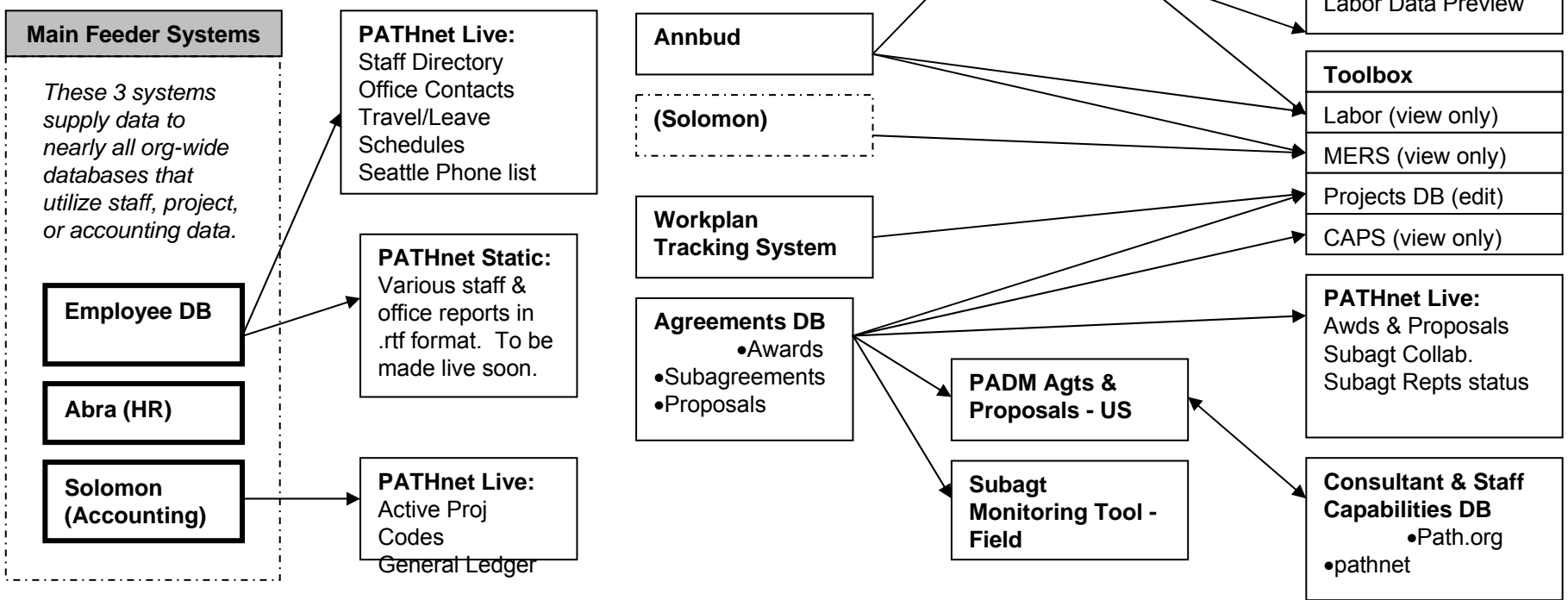
Case Study: Information Technology Platform

- Home-grown system
- Rapid growth and increased # of users
- Systems supporting multiple functions
 - HR
 - Finance
 - Procurement
 - Donor Management (grants administration)
 - Travel Planning
- No overall system architecture
- Multiple applications with little system integration
- Inefficiencies and user frustration

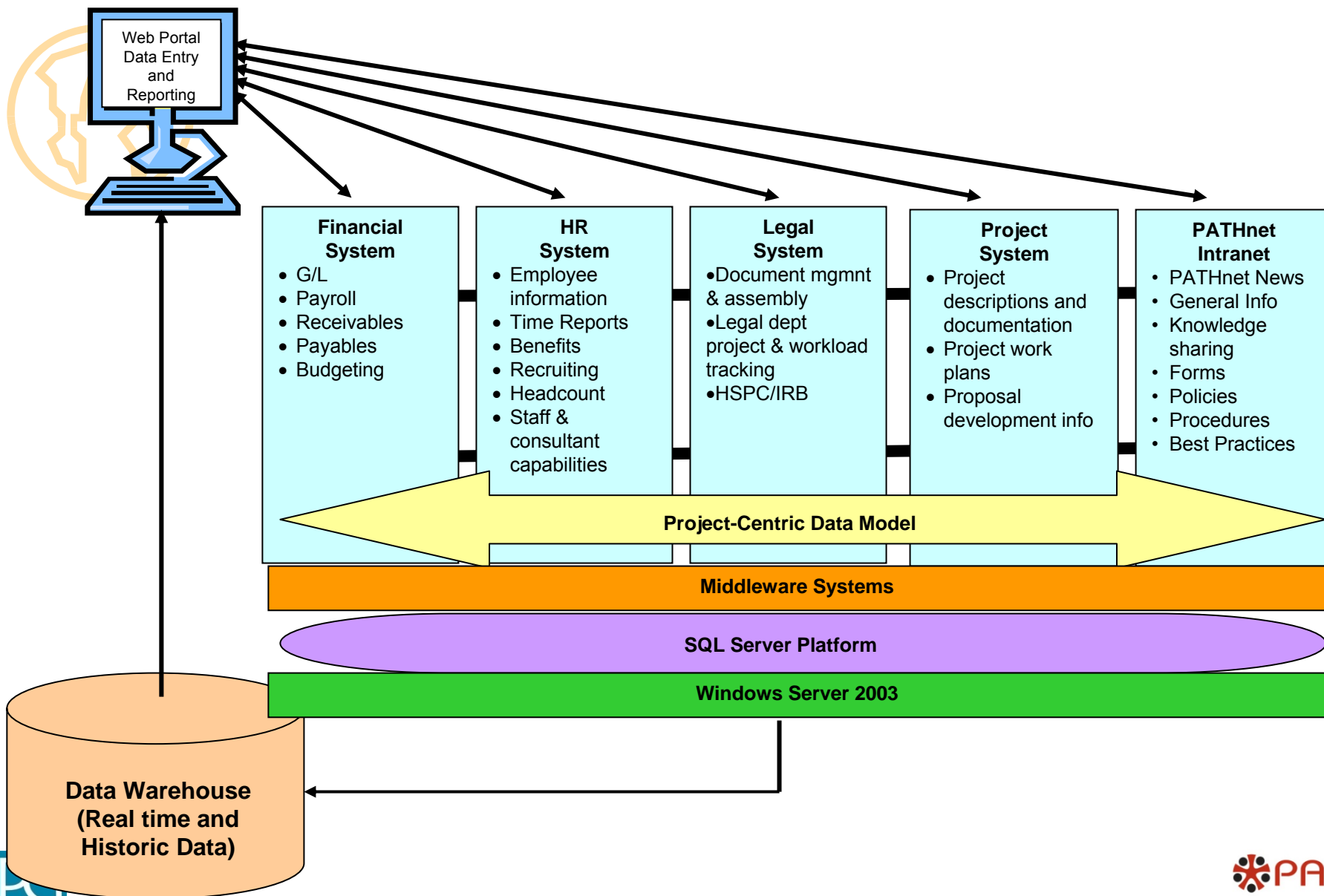


From this...

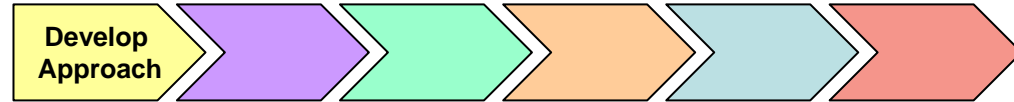
PATH System Map



To this...



Model: Develop Approach

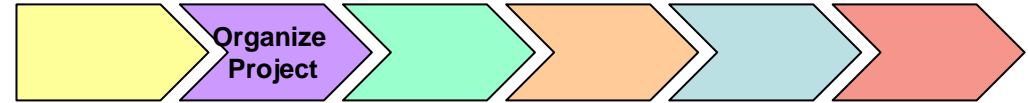


- Internal Effort
- External Consultant
 - Do the work
 - Guide internal effort
 - Stimulate internal effort

We started with an external consultant to stimulate the process because:

- Teams were not ready to self launch
- Vision was not clear
- Everyone had low bandwidth available
- Skepticism was rampant
- Yet everyone agreed something had to be done

Model: Organize Project



- Sponsor
- Project Manager
- Scope
- Resources
- Roles & Responsibilities
- Work Plan
- Communications

Once sufficiently stimulated:

- The executive team committed seed \$ over three years
- We recruited a project manager (no one had 50% time available)
- Left scope only generally defined
- Assumed the PM would define team member roles and responsibilities
- Left the work plan for later
- Did not communicate beyond the executive team

Note: Implementation may be set up as a separate project

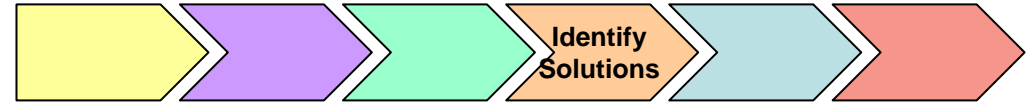
Model: Discovery



- Data collection
- Analysis
- Problem Identification and Definition

- Conducted broad-based interviews with service providers by PM
- PM discovered 82 processes that needed the 3-4 month systems improvement treatment.
- Unable to prioritize for maximum impact, easy to address processes were not the ones most in need of repair.
- Scope became too broad.
- Project stalled, became mired in debate over process integrity vs progress on broken systems.

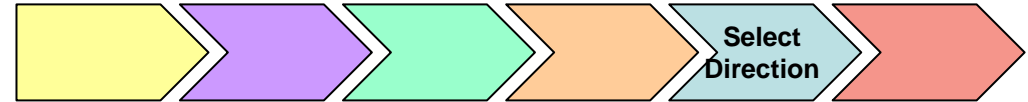
Model: Identify Solutions



- Identify options
- Assess options
 - Implementation issues
 - Cost/Benefit analysis
- Selection top options as possible solutions

- Revisited the consultant’s report and evaluated our failure to launch
- Put key leaders through desired state/SWOT analysis
- Crafted fresh 3-year vision using intuition and facts.
- Cleared 50% of key manager job to allow her to become new PM
- Focused on key customer needs as well as needed long term sustainability solutions.
- *“In 3 years we want...”*

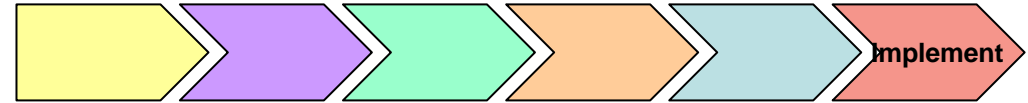
Model: Select Direction



- Choose from identified solutions
- Organizational support
- Initiate implementation

- Regrouped with executive team to present new more focused direction.
- Executive team re-affirmed commitment.
- Wrote realistic yet strategic annual work plans addressing key must-fix areas
- Secured additional \$ for additional technical expertise.

Model: Implementation



- Revisit project organizational structure
- Follow standard project management practices
 - Detailed scope
 - Create implementation plan
 - Define clear milestones
 - Manage risks
 - Execute the plan
 - Control/monitor progress

- Reorganized team; 2 sub-project managers able to focus on key areas for improvement.
- 2008 workplan specific with realistic milestones.
- *PeopleSource* phase I completed using comprehensive rollout planning, phase II under way;
- Key teams holding break through conversations
- Executive and project teams setting joint milestones to gauge progress

Why Projects Fail

- Sponsor → Not committed or involved
- Alignment → Poor fit with organizational vision & needs
- Staff → Not experienced or enough time
- Scope → Incomplete or creeps
- Plan → Not complete or accurate
- Funding → Insufficient
- Input → Requirements vague; users not involved
- Management → No project management methods or tools
- Approvals → No formal sign-offs
- Communicate → Can't do too much
- Change → It is hard!!

Conditions for Success

- Don't overwhelm internal staff
 - Add <10% work load to staff with ongoing responsibilities
 - Free up at least 50% time for Project Manager
 - Be open to seeking external support
- Ensure change readiness
- Plan for risks and contingencies
- Be adaptable and willing to change direction
- Test before go-live
- Communicate!!!!

One key reference:

Harvard Business Review 
www.hbrreprints.org

<http://209.83.147.122/default.aspx>

Companies must pay as much attention to the hard side of change management as they do to the soft aspects. By rigorously focusing on four critical elements, they can stack the odds in favor of success.

The Hard Side of Change Management

by Harold L. Sirkin, Perry Keenan,
and Alan Jackson

Q&A and Discussion