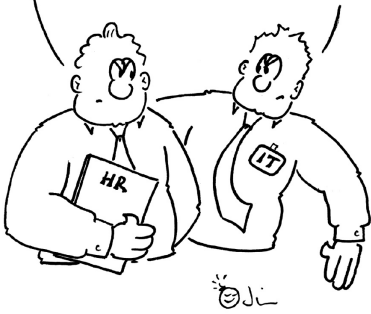# LUCID 53 THOUGHT { Organisational change and managed change through projects: the same thing or different?

"My project is a unique series of events that brings about a business change!"

"No, No! My project is a unique series of events that brings about a business change!"

The history behind the theory and practice of organisational change is distinctly different from the history behind the theory and practice of managed change through project, programme and portfolio management. As a result, the home of organisational change in many firms is Human Resources, whereas the home of project, programme and portfolio management has typically been associated in some way with either engineering or IT.

It is well understood that in the final analysis successful projects are those that lead to success for the overall organisation (as measured by benefits or some other language that means business value). Two years ago the Re-thinking Project Management Network (a project funded by the EPSRC - Engineering and Physical Sciences Research Council) was clear in saying that effective project management in the 21st century is about value creation not product creation. For example, we are encouraged to think not of IT projects, but of projects where IT delivers an ability to exploit new markets, gain new revenues, or secure the existing revenues at a cheaper cost. All of the mainstream books, training courses and other sources of advice promote the view that 'managed change' is as much about enabling changes in individual people, groups and teams and organisational cultures, as is it about changing technologies, facilities and other 'hardware'.

So from a theoretical and a practical point of view - projects, and their prioritisation and coordination through portfolios and programmes, are an organisation's route to achieving business value from change. Whilst project management may have once been seen as a technical process to create superior products and processes; we can all think of examples where superior products and processes have become business failures. We can also all think of examples where attempts at organisational cultural change or other sorts of internal transformation have become unstuck through a lack of a clear strategy and framework for implementation. The art and skill of managed change in the 21st century is to bring together the discipline from 'old-style' project management and the people focus from 'old-style' organisational change; and through this combination and synthesis enable a more coherent approach to managed business change.

We have recently read a great book on change management **(Appreciative Inquiry for Change Management by Sarah Lewis, Jonathan Passmore and Stefan Cantore 2007)** that uses the idea that all types of organisation are 'living human systems' rather than 'machines'. Many of us have grown up in a world where the underlying paradigm of management was to manage the organisation by having structure, methods and measures to control behaviour and performance. This works for machines but doesn't work so well for 'living human systems'. We have written many times before in Lucid Thoughts about the need for project organisations to embrace not just methodological and operational competences (MOCS), but also human and organisational competences (HOCS). Through our collaboration with the consultancy Engagement Works, we are promoting the need

Creating Value by Shedding Light on Managed Change

for project organisations to supplement their MOCS and HOCS with the development of Engagement Capability'. Engagement Capability involves the achievement of six Engagement Goals, namely the achievement of rapport, pursuing discovery, creating order, accommodating interests, winning commitment and sustaining pace. We whole-heartedly support this approach. Change of any sort is impossible without human engagement, and mature human engagement is not an easy thing for any group of people working in a project to achieve. Yet if the art of managing change through projects is to combine and synthesise the 'hard' with the 'soft' skills, then mature human engagement is essential.

So, back to the title of the Lucid Thought... Irrespective of the different organisational 'homes' for the labels - is the theory and practice of organisational change the same as or different from the theory and practice underpinning the management of projects?

Some of you may now be thinking that this issue is dealt with through programme management which, done well, provides a coordinating framework for projects and operations with a continual focus on business benefits (value) and effective business change; so that project outputs realise measurable benefit. At one level this is correct. The challenge is that if programme management is constrained by being put in the same organisational 'bucket' as technically focused project management, then the links and collaboration between the management of human resources (and the HR Department) may not be possible.

In this Lucid Thought we are arguing for a closer look at this whole issue, at a synthesis between the two historically different paradigms in order to find ways of enabling more business successes on the back of project successes.

Our experience working across a whole range of organisations and sectors is that the relationship between organisational change and managed change through projects is strengthening. Through our practitioner work we know this to be the case; nowadays we consult through HR departments as often as through 'technical' departments. This is also backed up by our continuing academic research at Cranfield School of Management where the links between the historically disparate domains are being actively challenged.

This Lucid Thought is intended to be thought provoking. Some of the issues we face in making projects work are not easily solved. Maybe we will need to break down some mental walls between different functions and experts to make real progress?

PAST

Managed Change Through Projects

Organisational Change

PRESENT

Managed Change Through Projects

Organisational Change

FUTURE?

Managed Business Change
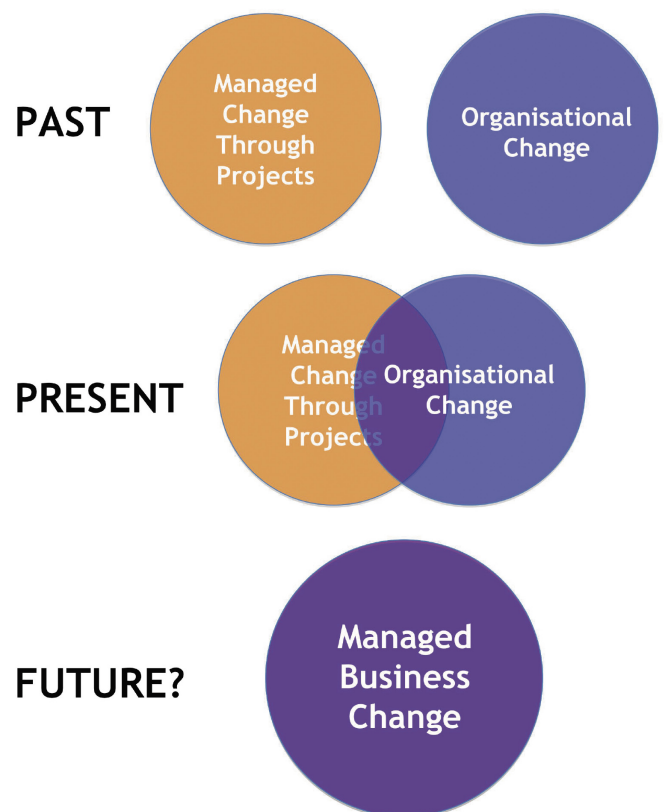
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