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# BUSINESS MANAGEMENT

## Project Management: Overcoming Obstacles<sup>1</sup>

By Doris Orr

*Editor's note: This is a sequel to Doris' article in our July 2017 issue, "Project Management: Calming the Chaos," available online at [the steppingstone.SOA.org](http://the steppingstone.SOA.org).*

**W**hy are projects almost always late, or delivered over budget? Wouldn't it be great to go into a change initiative with a high degree of confidence that the outcome will be better than expected? On time? Under budget? And with people excited about the new norm? Yes, I agree it would be great!

Let's look at some of the obstacles that can derail a project/change initiative and what you can do to get in front of these, to ideally have a great experience with a change initiative in your organization.

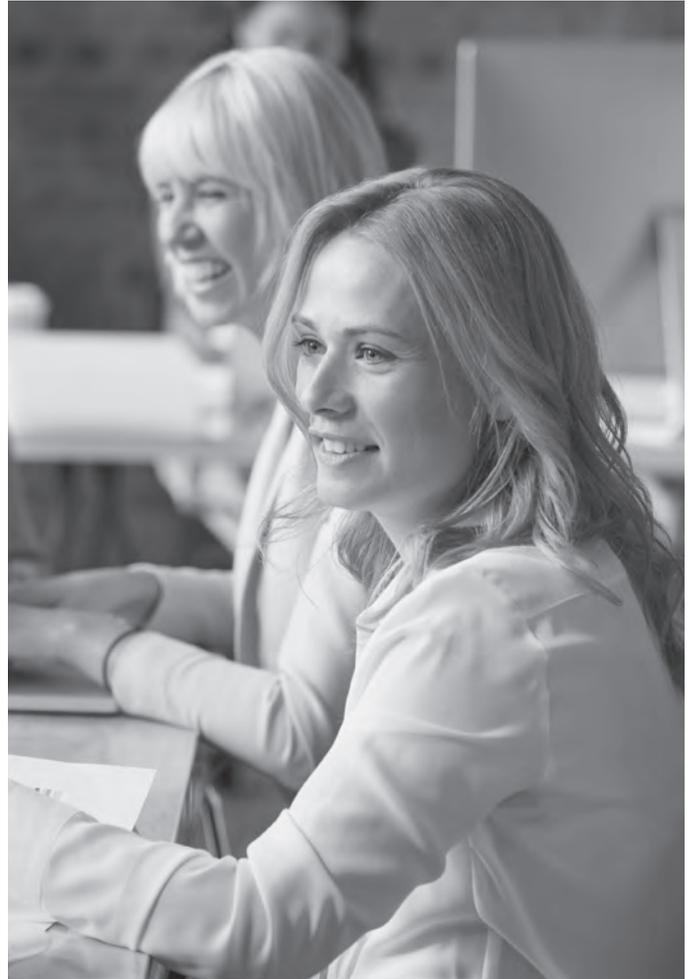
### OBSTACLES

- The pain of change—status quo really is the path of least resistance, even if it's a terrible path!
- Reason for initiative not compelling enough to put people through the pain of change
- Poor planning and unplanned or unforeseen alterations to initial plan—lack of clarity on ideal future state and inability to handle unexpected situations
- Poor communication
- Strong, **STRONG** resistance—a key obstacle resulting from unwanted chaos

### PAIN OF CHANGE

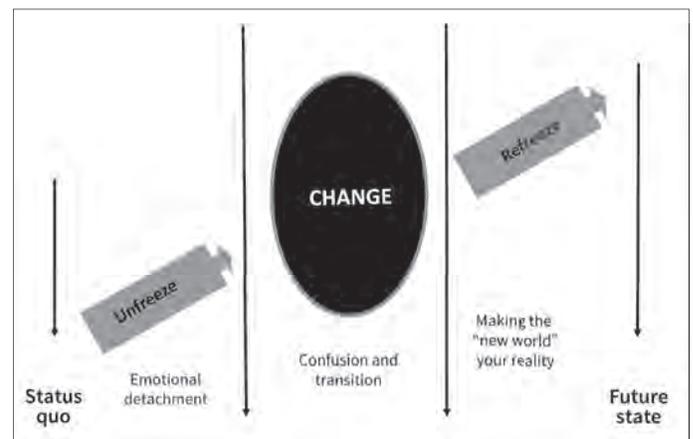
Having a strong, compelling reason is the best remedy, the best medicine and the best insurance policy to address the *pain of change*.

Figure 1 shows the phases all change initiatives go through, starting from the comfort of status quo. People get attached to the way things are even when the status quo is very undesirable.



We truly are creatures of habit. Studies have found that people would rather stay in a bad situation than put themselves (or be put) through change. Yes, it's hard to understand—but it's true!

Figure 1  
The Pain of Change



The change process puts all impacted parties through a series of steps, all of which create discomfort—until the very end, when the new norm is established. This occurs once the change initiative has been embedded into the organization. Start with the end in mind and the future vision. Hanging on tightly to this future vision is very key to the change process!

The hardest part is letting go of the current norm, the status quo. This emotional detachment is followed by confusion and transition while the change is uprooting the status quo and things are swirling and changing and uncertain—until your new world, your new norm, starts to stick. It’s during the period of confusion and transition that it’s hardest to keep the troops focused on and committed to the end goal, and that’s where the strong compelling reason, the strong future vision, is so key.

After a period of time, the new norm becomes status quo. This is what people attach to as their new status quo—until the next time your organization is put through another change initiative. During all this time, the normal operations of the business need to continue to be handled! This is truly a time for lots of juggling. And that’s where—again—the strong, compelling reason, the clarity of the future state vision, is so key.

### COMPELLING REASON

Projects are above and beyond normal operations, and so require extra effort, energy and buy-in to get them started, keep them going, and keep the organization focused on them. The stronger the compelling reason, the easier it is to get executive sponsorship and ongoing commitment from all stakeholders (all persons—both directly and indirectly—involved and impacted). Imagine these two scenarios:

1. A fire destroys your office space, so there’s an (efficient) race to get your team into a new office space to reduce business interruptions. Even if you have business interruption insurance, you want to get back to delivering your products for your customers and actively employ your staff to do this.
2. Your company president is exasperating with his indecisiveness, which results in regular office relocations every couple of years. The staff resists the regular recurrence of this perceived unnecessary disruption, while juggling ongoing business operations.

Extreme examples really highlight the point of how a truly compelling reason can motivate the team, bring you together, and make amazing things happen quickly and efficiently. The other extreme highlights why resistance can become a key obstacle to change (more on this later).

*So, the next time you or your organization is contemplating to change something, ask yourself: Is our compelling reason strong enough to put our organization through the unpleasantness of the pain of change?*

### POOR PLANNING

Running a project without a plan is like building a house without a blueprint or design. Some obvious benefits of a concise plan include creating buy-in from stakeholders; removing confusion by creating clarity around the why? what? how? when? who?; and giving a level of comfort around the agreed scope of what you will *and will not* do. Also, this will really help avoid (or at least reduce) chaos throughout the change initiative, and ultimately project failure.

Another way to increase the chances of a successful project outcome is to understand the project’s critical path. In a nutshell, documenting the project’s critical path provides clarity around what tasks take the longest and which can be done concurrently. The better you understand what deadlines are non-negotiable and can’t slip, the more focus this critical path will get. And the more attention it gets, the better the chance of successful completion.

As slippage is encountered, Figure 2 illustrates choices to be made to determine which trade-offs best suit your project/change initiative: decreasing scope, increasing timeline or increasing resources (people, money). It goes without saying (but goes better with saying) that the critical path will take as long as it takes regardless of how much more money and resources you throw at the project. Think: There’s a nine-month gestation period before a baby is born, and it doesn’t matter how many people you add, it won’t speed up this critical path timeline!

Figure 2  
Options to Address Project Slippage



*So, the next time you or your organization is contemplating to change something, ask yourself: Is our planning robust enough to help our organization minimize the unpleasantness of the pain of change?*

### POOR COMMUNICATION

The more clarity you can create, the more everybody will help your project stay focused. Creating crystal clarity is key! And sometimes, it’s creating crystal clarity in murky waters, when you don’t have the degree of clarity that people are seeking. Then, it’s all about saying it like it is; it’s about creating trust with all stakeholders and sharing what you know, when you know it. Also,

focus on getting all stakeholders in your organization to become part of the solution! Involve them in every step of the way.

So communicate, communicate, communicate—at each step of the way, to get buy-in for all stakeholders; to motivate your team—both those involved in the project and those who are not; and ensure scope—what’s included and what’s excluded—is crystal clear to all. Two-way open communication is also a key component to stop conflict before it puts your project at risk. Create a culture where people can escalate concerns and risks before they become issues that can derail your project.

*So, the next time you or your organization is contemplating to change something, ask yourself: How can we best ensure two-way open communication to help our organization minimize the unpleasantness of the pain of change?*

### STRONG RESISTANCE

Some key contributors to strong resistance resulting in project derailment include an insufficient reason for change, poor planning, poor communication or all of the above! Let’s dig a bit deeper into resistance. There are primarily three sources of resistance:

- **Rational resistance**, which covers the business case (costs, benefits). This accounts for about 20 percent of resistance. Ways to address this include a strong, compelling reason, well-articulated and well-planned (all covered previously); empowering employees to act; generating some short-term wins; and consolidating gains to highlight key positive impacts of the change and anchor new approaches, to help establish the new norm and help embed the future vision so that it becomes the current vision.
- **Emotional resistance**, which covers self-interest, fear, comfort and attachment. This accounts for approximately 60 percent of resistance. It’s by far the biggest area of resistance! This is the key one to really focus on! Here’s a solution to emotional resistance from Diana Del Bel Belluz, president

of Risk Wise Inc.: “You have to revert down to the bottom of the hierarchy when dealing with emotional resistance.”<sup>2</sup>

- **Political resistance**, which is the shift in the power structure, perhaps the result of a merger or reverse takeover. This accounts for the remaining 20 percent of resistance. To best explain political resistance, Del Bel Belluz referred to a famous quote from Niccolò Machiavelli (1469–1527), an Italian historian, diplomat, philosopher based in Florence during the Renaissance and founder of modern political science:

There is nothing more difficult to execute, nor more dubious of success, nor more dangerous to administer than to introduce a new system of things: for he who introduces it has all those who profit from the old system as his enemies, and he has only lukewarm allies in all those who might profit from the new system.

*So, the next time you or your organization are contemplating to change something, ask yourself: Have we done everything we can to address/remove resistance and thereby minimize the unpleasantness of the pain of change?*

When you sum it all up, the best way to achieve a successful change process is to be really, really certain that the change is needed. From there, get everybody involved to help become part of the solution so that they resist becoming resisters. And then enjoy being successful at your next change initiative! ■



Doris Orr, CPA, CA, CEC, attained her certification as an executive coach after 25 years in the corporate world. She combines coaching, inspirational speaking and biz consulting with a passion for helping people live their full potential through Powerful Paradigms: [doris@powerfulparadigms.com](mailto:doris@powerfulparadigms.com).

### ENDNOTES

- 1 Those of you who have been with the Society of Actuaries (SOA) for a while may recognize this topic as one Doris presented a few times, including at the 2012 SOA Annual Meeting & Exhibit in Washington, D.C.
- 2 From a presentation by Del Bel Belluz at the 2012 RIMS Canada Conference.