



**INTEGRATED CHANGE MANAGEMENT AND PROJECT MANAGEMENT STRATEGIC FRAMEWORK PART II: LESSONS
LEARNED FROM A LARGE DIGITAL TRANSFORMATION UTILIZING THIS FRAMEWORK**

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INTEGRATED CHANGE MANAGEMENT AND PROJECT MANAGEMENT STRATEGIC FRAMEWORK PART II: LESSONS LEARNED FROM A LARGE DIGITAL TRANSFORMATION UTILIZING THIS FRAMEWORK

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ABSTRACT

Our previous article, Integrated Change Management and Project Management Strategic Framework (Dicianno & Gigliotti, 2018), introduced a framework that was an integral part of a digital transformation disrupting our managers and employees as part of technology change with our Human Resource Information System (HRIS). This strategic framework provided our large organization with a solid foundation for managing this disruptive change, particularly as it impacted both process and people. Several important lessons were learned along this journey, and this follow-up article improved our original strategic framework. The objectives of this article were to update this framework based on lessons learned, while accelerating learning for other practitioners and change experts who are leading large-scale, disruptive change.

Keywords: *Digital Transformation, Change Management, Mindset Shift, Change Champions, Social Learning*

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INTRODUCTION

“Technology is changing the world at warp speed” (Huston, 2013) in today’s business world and has shifted the priorities of what it means to build and be a strong team. When you’re about to embark on an inaugural journey, such as a digital transformation, you can’t always identify the right talent with previous experience to navigate the challenges ahead. Rather than utilize prior experience as the best indicator for building a strong team, organizations might defer to individuals with the most expertise possible. There are some bodies of work where this is the only – and perhaps best – option. Having just experienced a huge digital transformation, there are a lot of lessons that can be learned in retrospect.

Digital transformations are the strategic focus of many organizations today. In fact, surveys from Lee Hecht Harrison suggest that 90% of respondents acknowledged that workforce transformation is crucial to their organization’s future, and 70% of these transformation efforts are driven by introduction of new digital technologies (Lee Hecht Harrison, 2019). Organizations are streamlining tasks through automation, moving their core technologies to Cloud-based platforms, releasing apps on what seems like a daily basis, and struggling with ways to analyze copious data that these digital platforms produce. A common misunderstanding of digital transformation is that these technologies are the panacea to many organizational challenges and that these technologies will create efficiency and simplicity. That may be true to some extent, but it is certainly more realistic to view digital transformations as a method for unlocking unknown or untapped organizational capabilities that, over time, will produce value. Digital transformations are the first step in an organizational journey. How this journey unfolds and how long it takes depend on the leaders’ and practitioners’ vision, strategy, and change-management approach.

Mindset shift

If a digital transformation is an ongoing journey, then when is the best time for an after-action review? Quite simply, the answer is early, often, and continuously. Although our journey continues, a post-mortem has revealed several key lessons. Whether you are embarking on your first or even next digital transformation, the following four key experiences can positively impact your journey: mindset shift, infrastructure, social learning, and technology as a “technicality.”

A search for “mindset” on the Harvard Business Review site produces over 3,000 articles/resources that discuss digital mindsets, growth mindsets, global mindsets, and more. Mindset shift is a very real concept that is incredibly important to culture change. “Culture isn’t simply created overnight. It happens as a result of behaviors exhibited by the teams and individuals in an organization. Culture is shaped and solidified over time through mindsets and behaviors. And an aligned leadership team needs to be behind that” (Llewellyn, 2019). In terms of digital transformations, shifting mindset means changing the way that the organization thinks about work and preparing for the inevitable discomfort of moving away from current state to a constantly evolving future state. When you are digitally transforming, you often move from a solid or static state to a much more fluid state. In chemistry, fluids are kinetic, that is, they are in “a state of flux, fluidity, or movement” and “in a violent state of agitation” (Kothari, Goel, & Shah, 2014). As a result, digital transformations often transition organizations – and their cultures – from “known-knowns” to “unknown-unknowns.” Without a strategic approach to change, this transition can be incredibly unnerving for both leaders and employees. (Snowden & Boone, 2007).

Since digital transformations often are disruptive within the organization, it’s difficult to prepare mindsets for the change simply by infusing positivity and a bright future. A largescale change will not

always be viewed as a win to those impacted by it. A more effective approach is transparency. It is proven that transparency leads to higher employee engagement, which results in more successful change. A study by Harvard Business Review showed that “70% of participants say they’re most engaged when senior leadership continually updates [them] and communicates [to them]” (Harvard Business Review Analytic Services, 2013). Instead of selling a digital transformation as a “huge win” or the cure to organizational ills, consider transparently addressing anxieties; engaging leaders and employees in the change from the beginning; and inviting them to shift thinking about their work from current to future state.

Transparency that is utilized early and often communicates what the future state will be – and what it *won't* be. Explain to your stakeholders that success is predicated not just on changing once, but embracing change and continuous improvement as a primary approach to their work. By its nature, digital transformation often transitions to technologies that never remain stagnant. You will not just change once to move to a new digital platform, but the new platform is a moving target that will require adjustments long after the initial change event. This impacts work because routines change now and on a continuous basis for the indefinite future. Prepare your leaders and employees for this “new normal” by ensuring that they have a digital/growth mindset. Set that expectation early and be transparent about that new reality. A digital mindset will help combat several derailleurs to the change, which include:

- Minimizing the impact of the change
- Assuming that new processes will mirror old ones
- Continuing to conduct business in the “old way”
- Stagnating in the loss of familiar processes and functionality

Identifying champions of change that demonstrate a growth mindset can be leveraged to help others shift their mindset through the change process.

Infrastructure

To prepare for a digital transformation in a large organization, we created an entire infrastructure for managing change: the Change Champion Network. In theory and in practice, this was a huge success. Reference our original article (Dicianno & Gigliotti, 2018) for details related to this infrastructure. This infrastructure established a group of individuals that directly supported our digital transformation. Change Champions received information on the transformation before the general population; they had a voice in the change process; and they routed feedback from the front lines to the project teams. We recognized that digital transformation occurs in two dimensions. The first dimension is top-down, that is, planning and delivering the transformation to the organization in a way that will be consumed as intended. The second dimension is in the trenches of the work where transformation strategy becomes reality.

Through this infrastructure, the Change Champion Network fulfilled several important objectives. The group envisioned the future state early and often, which allowed them to provide meaningful feedback. They also distributed communications and began preparing front-line leaders with notice about key changes as they were happening. Finally, many project teams shared key design decisions with this group, which removed silos and inevitably supported decision adoption among those impacted by the changes.

In retrospect, the Change Champion Network could have been larger and even more engaged in the process. First, when selecting individuals to be champions of change, it’s important to properly vet these individuals. Consider a strong selection process, which might include an up-front assessment of an individual’s ability to grow through changes, rather than be resistant to them. Additionally, consider individuals who demonstrate learning agility and a strong ability to communicate effectively with a variety of audiences. Start with a small group at the outset of

the change, and then expand as needed. Identifying and selecting individuals who are adept at and intensely interested in championing change will boost the energy and positivity around the change initiative.

Second, it would have been beneficial to allow this group of change champions to set rules for the project-work teams in the same way that those teams set rules for the change champions. This would have established bidirectional expectations for the working relationship. For example, the change champions could have set rules around how much advanced notice they would need from the project teams before a change was implemented. That way, the change champions would have enough time to communicate and acculturate the change with their stakeholders and customers. Setting these bilateral expectations up front would have fostered stronger collaboration between the change champions and the project teams.

Finally, the power of the change-champion infrastructure at times was focused more on process changes rather than mindset changes. That is, change champions spent much time explaining the technology, how to navigate it, and ways to troubleshoot technical issues. Even if stakeholders' mindsets were shifting to a reality where technology is ever-evolving, improving, and changing, the change champions were not fully empowered to acculturate this mindset among their front-line leaders and employees.

Social Learning

Scaffolding is a social learning theory that is grounded in research and pertinent to transformational change. Scaffolding is a teaching method that helps individuals learn and achieve their learning goals by working with someone more advanced (Vygotsky, 1987). This is incredibly appropriate to fill the gap of expertise versus experience discussed at the beginning of this article. Scaffolding could have been leveraged as a key learning theory to support the success of the digital transformation. For example, project work teams could have been better positioned to share their

functional expertise with the change champions, who then could support front-line leaders and staff in understanding, preparing for, and consuming the digital transformation. This cascading process of sharing knowledge and expertise creates a collective energy that is synergistic and dynamic.

Utilizing project teams and change champions as the advanced experts can enhance and accelerate the amount of collective learning among front-line leaders and staff. The learning science of scaffolding addresses this through the zone of proximal development (ZPD). As seen in the image below, one individual has a threshold of how much they can learn/consume (the darker green circle). With the help of project work teams and change champions (Dicianno & Gigliotti, 2018), an individual's overall threshold grows larger, increasing their zone of proximal development (the lighter green area). There still will be areas that the individual cannot learn or changes that are difficult to consume (the lightest green area). Without scaffolding – in this case, leveraging expert project work teams and change champions to advance learning into the ZPD – learners would be left with only two options: either master skills independently or not at all. This dichotomy misses a vast area in between where knowledge and skills that support digital transformation can be cascaded, nourished, and proliferated.



Figure 1: Zone of Proximal Development - <https://blog.prepscholar.com/vygotsky-scaffolding-zone-of-proximal-development>

Technology as a technicality

Throughout our change process, our team diligently aligned to the foundations of transformational leadership. We created compelling “vision statements.” We built a list of strategic objectives and linked them to transactional tasks. We established measures of success to address the question, “How will we know we’ve been successful?” Throughout this journey, our change methodology focused on people, process, and technology – a triad originating in Harold Leavitt’s 1964 article, “Applied Organization Change in Industry” (Leavitt, 1964). Although Leavitt’s model differed slightly from ours, it is a foundational strategy for making decisions and understanding key impacts as part of our larger strategic framework for change. Through this lens, we prioritized our strategic and tactical objectives while positioning key decisions on the intended impact.

As an example, we leveraged this model to outline our key objectives for our new performance-management strategy:

People

- Re-evaluate management structures (span of control)
- Develop performance leaders
- Encourage employee participation and ownership
- Effectively manage the performance review cycle
- Encourage real-time feedback and recognition
- Recognize individuals who both achieve results and demonstrate values-based behaviors

Process

- Collect, measure, and respond to data aligned with key measures of success
- Simplify the performance document
- Offer flexibility in response to our organization’s diverse needs

- Align individual performance contributions to organizational goals

Technology

- Support ongoing collaboration and contribution towards goal progress
- Correlate and demonstrate performance-based metrics with organizational outcomes
- Simplify and align merit-budget planning and allocation
- Increase ease of use, flexibility

By categorizing these objectives into this framework, we were able to identify which objectives were driven by the people (human) experience, process efficiency, or technological capability. This was incredibly helpful in building our measures of success while also having a clear way to delineate what was most important to the project teams when making decisions.

By utilizing the people, process, and technology model described in this section, it became evident that digital transformation isn’t only about technology, but perhaps more so, about the human experience around that transformation. That is, the technology itself becomes a “technicality” in the overall change process. By focusing on the human experience, it becomes even more important to design and communicate the “why” underpinning the change.

By establishing the above framework, we were able to answer the why for each objective by following this cadence: First, we explored whether the key change was focused on people (human) impacts. If not, then we determined whether the change was a process or efficiency change. If not, then we finally evaluated whether the change was focused on the technology itself. Since digital transformation did involve adopting a new technological platform, many of our whys naturally focused on improved technological

advantages and capabilities. However, we didn't limit our view only to technological improvements; we translated technological impact on people experience and process efficiencies as well.

What makes the why so important? Change is a personal journey that triggers emotional responses. Explaining the why is the best way to advance understanding and gain buy-in among those impacted. In his book, *Start With Why: How Great Leaders Inspire Everyone to Take Action*, Simon Sinek explains the importance of why: "There are only two ways to influence human behavior: you can manipulate it or you can inspire it" (Sinek, 2013). The why triggers inspiration, which is key to our transformational leadership approach. There is also a lot of truth to the fact that "People don't buy WHAT you do, they buy WHY you do it" (Sinek, 2013).

The people, process, and technology framework didn't just provide a roadmap for finding the why but also for establishing a people-centric why. Notice that each objective began with the question of whether it was a people change first, followed by process efficiency, and finally technology impact. Many digital transformations and key technological changes may use this model but fail to follow this waterfall approach and, thus, prioritize technology over process and people. Our diligence in this process proved to be incredibly valuable and is part of our lessons learned. However, we could have done even more by spending time at the beginning of the transformation and ensuring that changes, decisions, and the why were people-centric. Transformation simply driven by technological features and functions is not incredibly motivating. Imagine telling leaders that the performance-management process will be reengineered simply because a new technology platform provides expanded features and capabilities. Or, more compellingly, explain that the performance-management process will be reengineered to enhance relationships between employees and their

leaders through frequent discussions, a focus on career development, and a continuous support system to improve productivity. "People don't buy WHAT you do, they buy WHY you do it" is effective if the "why" is something that inspires others or that they can clearly understand and navigate. When following our integrated strategic approach to change, start with a focus on the people, not the technology.

CONCLUSION

Having extensive experience in strategizing, preparing for, implementing, and measuring our digital-transformation experience, these four lessons will help others work toward their own successful transformations:

- Mindset shift
- Infrastructure
- Social learning
- Technology as a technicality

Although these are not all-inclusive lessons learned, they certainly focus on enhancing the end-user/employee experience, particularly after go live. By sharing these lessons, teams won't be tethered only to their members' expertise, but they can learn from the experience of many others who have led successful digital transformations.

In summary, first focus on the mindset shift from "known-knowns" to "unknown-unknowns" so that individuals start to become comfortable with an environment of never-ending change. Second, ensure that there is strong infrastructure in place that provides equal voice to and collaboration among project experts, change champions, and impacted stakeholders. Third, use the infrastructure so that experts' knowledge is amplified and cascaded to help others learn and grow through the change. And finally, make the change more focused on the end result – the experience for your people – rather than simply a technology implementation. After all, it is the people

who ultimately will determine the digital transformation's success.

Many transformations utilize the framework of people, process, and technology to guide their decisions. However, what they do not follow is this order in terms of priority. Put the people first by shifting mindsets and building a strong infrastructure. Use these two components to scaffold/socialize learning and

acculturate changes among the front-line leaders and employees who will be impacted by the digital transformation. Remember that this is a strategic, coordinated journey: a digital transformation is not the destination but is just the beginning of a new way of thinking and working through complexity and unknowns powered by technology and predicated on human experience.

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