



Organisational culture eats P3M for breakfast

– every day!

Regardless of which piece of research you read – formal change programmes have a failure rate of anywhere between 70% and 100%. Even at the ‘good end’ of that range, there is a major problem. One mysteriously interesting consequence is the way that business organisations have responded.

Instead of trying to get to the root of the problem and resolve that, they have often applied a solution that only deals with the symptoms. A whole industry has grown up applying generic, yet prescriptive project, programme and portfolio management methodologies (along with an associated set of rules) to change processes, which are messy, ambiguous, emergent, and hence unpredictable – and therefore unmanageable!

Worse, given the nature of the underlying causes of difficulties with change programmes, a chicken and egg situation has developed in which the new project management techniques actually make the original causes of the problem more extreme, which then increases the failure rate.

The nature of the problem

There is no such thing as an effective mono-dimensional change - even "product based change" has to understand and deal appropriately with aspects of human behavioural response and organisational culture. In most organisations, while there will inevitably be some norms which will result in change being welcomed, there will be other aspects of human behavioural norms and cultural dynamics that will work against needed changes. This is the ‘egg’.

Layer on top of this position an unwieldy, centrally-driven-and-controlled project-management-based change programme, and it is easy to visualise the consequences. They include:

- Too many review and control meetings - “meetings, bloody meetings”.
- Operational managers’ fearful of loss of control / decision-making power.
- Confused accountabilities - project people versus operational people – projects versus the ‘day job’ - people being expected to serve more than ‘one master’.
- Confused priorities – either ticking the boxes and delivering to the plan, or responding to what emerges and delivering optimal value by adapting and changing the plan.
- The bringing together of teams and individuals from different organisational cultures, especially where contractors are involved. Differences about "how we do things around here" are likely to be highly diverse, hindering the team's ability to perform.
- Too much focus on ‘paperwork’ and ‘compliance’ (and producing pretty documents and presentations) rather than ‘doing valuable work’.
- Workers’ loss of discretionary decision-making – which takes the autonomy out of the job, and with it the intrinsic rewards. This also makes it difficult for problems to be dealt with at an appropriate level as they arise.
- "Best practice" approaches get translated into rules, where filling in the forms and having reviews becomes the *raison d'être* - NOT delivering value with the minimum of delay, taking managed risk in experimentation, learning and adapting along the way.

Sound familiar? The attempt to manage those messy, ambiguous, emergent and hence unpredictable change processes through formal planning, structures and controls is unlikely to be highly successful. This is the chicken, and it is about to lay another egg! The egg? The way that normal human beings react to external interference that affects their ability to pursue their own business priorities – they hunker down, and pursue a policy of malicious obedience. Which then limits even more the effectiveness of all those formal planning structures and controls. So the layer of control is cranked up even more! Cluck!

A different approach

We suggest a different approach is required to tackle the issue of organisational culture and how and why it drives employee behaviour, sometimes in the wrong direction - i.e. contrary to the needs of dynamic, problem-resolution-oriented change, and more inclined towards passive resistance to the formal change.

There are many influences of organisational behaviour; one of our favourites is referred to as 'permissions'. These are implicit messages contained in the design of formal structures and processes, in artefacts, and in management decisions and actions. In essence, the permissions signal to people what is permitted and what is prohibited behaviour. They are reflected in the war stories that employees share about what happens when they breach one of the permissions.

A moment's reflection will suggest that, typically, employees are bombarded with thousands of permissions daily. Moreover, as permissions drive behaviour, and behaviour is one source of permissions, it can be seen that they drive each other in endless, over-lapping, reinforcing loops.

Compare these with the occasional communications that arrive from management through "corporate comms" pronouncements and the like that, for example, innovation and experimentation are needed. The one drowns out the other. This is one of the explanations for the oft-repeated phenomenon that all forms of exhortation fail to scratch the surface of organisational culture.

Moreover, any form of control, especially if it comes in the shape of short-term, backward-facing metrics and bureaucratic rules, is replete with negative permissions. If the measures in question are inward facing, don't be surprised if silo mentality and protectionist regimes result.

So what to do?

Begin a search for the sources of negative permissions. What is it about the design and operation of formal structures and processes that is sending implicit signals that it would be better to be without? Check your own behaviour and that of your fellow managers and directors. What is the implicit message that you wish people to receive? What are they actually receiving? What about those formal project management disciplines? What are they telling people to do?

In parallel, ensure that there is a clear strategic direction or intent. Then check to see if what people are doing to introduce change is aligned with that direction. If the alignment is less than ideal, whatever you do, avoid arbitrary targets and more controls. Instead, try asking a few pointed questions about what people are doing, or planning to do, that will advance the organisation along the required strategic direction.

Find out what their challenges are; the barriers to progress that they experience; and how well information is shared across organisational boundaries to facilitate problem solving. And then work with them to break down the barriers.

It might just be that you find a complete hen roost of clucking chickens, all ready to lay the next round of eggs that will grow up into more chickens. Of course, you could always sit down with your favourite programme management package and wait to be eaten for breakfast! Anyone fancy an egg?

At MBSL we have developed methodologies to help organisations deliver "hearts and minds" change effectively. OrgScan[®] enables project and programme teams to better understand their culture, permissions, and other conditions driving behaviour. Magus Networker[®] maps the informal networks in the organisation, revealing the influences and knowledge flows, enabling you to harness the latent capability, capacity and creativity in the organisation, simultaneously defusing the protectionism and silos.

If you think, as we do, that project and programme management delivery would benefit from a better understanding of the stuff that goes completely under the radar of the prescriptive methodologies, why not give us a call on 0208 1234 685 or 0973683849?