CHANGE MANAGEMENT

Objectives

- Baselining-locking down a plan
- Principles of Change Management
- Integrated Change Control
- Steps to Request a Change
- Examples
- Exercise

Baselining

- As soon as the Project Plan is approved and *before* we do any work on the project, we **Baseline** the project.

What's a Baseline

- **Baselining** means to set a common reference point for all that we do.
  - **Like building blueprints, everyone need to follow the same copy.**
  - **If a copy changes, then *everyone's* old copy must be destroyed and replaced.**
  - **If an old copy is still in use after the change, there can be problems.**

What can Change?

- Anything in a project can change:
  - Cost
  - Schedule
  - Scope
  - Resources
  - Constraints
  - Risks
  - Assumptions
  - Already completed work (rework)
  - Work Breakdown Structure (WBS)

When are Change Requests Used?

- A Change Request (CR) is a formal process to manage change in a project. It is used to manage change in:
  - Scope
  - Total Cost
  - Deliverable List and Final Deliverable
  - Already signed-off deliverables

Why do we Use CRs?

- Without CRs we are never sure if a change is official.
- For example, a manager asks a worker what would it take to change the scope?
  - The worker misunderstands this to be an order to change the scope
  - Other workers don't even know that a change is being considered since they weren't part of the conversation.

- A Change Request makes the decision official and creates a workflow to update everyone on the change.

Integrated Change Control

- Before we agree to a change, we must:
  - Ask if the change is good:
    - Does it get us closer to the goal?
    - Does it add unnecessary risk?
    - Is the change needed or just "nice to have"?
  - Know if a change has already occurred:
    - Are we over budget? Late? How do we know?
    - We need to use proper Time and Cost Management

Integrated Change Control (cont.)

- Manage: Change the project in response to change
  - Make tough decisions if required
  - Talk to the client as soon as possible about a change

- After we **ask, know** and **manage**, we can determine if and how a change should be made.

A Change Request is…

- A formal process to change the baseline.
- It is normally a document that:
  - Describes the change
  - Describes the reason for the change
  - Describes the impact of the change
  - Updates the cost, deliverable list, scope statement or other baselined (signed-off) documents

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It's all about the Baseline…

- We only use a CR to alter the baseline.
- Not all changes require a CR.

Change Request Form

Project Name:
Date Request Submitted:
Title of Change Request
Change Order Number:
Submitted by: (name and contact information)
Change Category: ☐Scope   ☐Schedule   ☐Cost   ☐Technology ☐Other

Description of change requested:

Events that made this change necessary or desirable:

Justification for the change/why it is needed/desired to continue/complete the project:

Impact of the proposed change on:
Scope:
Schedule:
Cost:
Staffing:
Risk:
Other:

Suggested implementation if the change request is approved:

Required approvals:

Name/Title	Date	Approve/Reject

Examples

- Would you use a CR for the following changes:
  1. Shipping costs come in at 10% above estimates?
     - No. Shipping costs would not normally be a big part of a project's cost and so 10% would normally be absorbed by the contingency.
       However, if shipping was a big part and there was no contingency left, then a CR might be required.

Examples

2. 5 people come down with the flu?
   - No. Normally, the project should have enough contingency to handle these events.
     However, if these people are all working on activities on the Critical Path and their illness will delay Deliverables on the Deliverable list, then a CR is used.

Examples

3. The client wants to add 10 more servers to the list of servers migrating to a new Operating System?
   - Yes, this is a change in scope.

Examples

4. Shipping delays will add a month to the project's end date?
   - Yes. The end-date or final deliverable is on the deliverable list.

Examples

5. Client wants to change an already signed-off document?
   - Yes. A signed-off document is part of the project baseline.
     Changing a signed-off document usually means "re-work". People will have to go back and change things they've already done. This can add to the scope, time, and budget

Examples

6. Total project cost looks to be 30% more than estimated?
   – Yes. 30% is more than most contingency reserves will allow. The project budget needs to be changed.

Steps in a Change Request

1. The Project Manager identifies and analyzes the change. He/she needs to explain the change to the client and why it occurred/needs to occur.
2. The Project Manager meets with stakeholders to discuss the change and option for change.
   • Stakeholders are anybody involved in the project: team, client, vendors, customers, partners, etc.

Steps in a Change Request

3. Project Manager recommends a course of action
   • Usually there is verbal agreement to proceed
4. Project Manager writes up formal Change Request. Presents it to the client for signature.
5. Project Manager updates all baseline documents (archiving originals)

Exercise:
(Office Relocation Project)

• Assume it is January 15
• Your boss says that he's going to hire 10 more people as soon as you move to the new office.
• He wants 10 more connected workstations.
• E-mail and file server capacity can handle the number of new employees.
• Write up the Change Request for this change.
   – What do you do first?
   – Next?
   – After that?

Exercise:
(Disaster Recovery Project)

• The hardware for your project has just arrived and your client learns that a new building is going up that will block the line of sight with the Disaster Recovery site. Instead of a wireless option, you now need a dedicated line option.
• Write up the Change Request for this change.
   – What do you do first?
   – Next?
   – After that?