

# Change Management

by Sophia



## WHAT'S COVERED

This lesson examines approaches for managing change within a project including:

## 1. Change Management

**Change management** is needed anytime a significant shift occurs away from the project plan. These might be the result of changes in:

- *Stakeholder expectations*: Impacts the scope, budget, or schedule
- *Project-driven requirements*: Shifts within the marketplace or with customer expectations often cause these changes. These might be necessary changes for the project to succeed, but they still impact the schedule and the budget. For example, the addition of a new Wi-Fi standard for the design of a tablet computer.
- *Organizational forces*: Stakeholders can change on a project. An organization might be purchased or absorbed by another organization with different standards or requirements. Or the project team might be shifted around due to the needs of other projects.
- *Project risks*: Sometimes it's necessary to avoid greater risks in the future of a project by making changes in the present.
- *Inability to produce deliverables according to specifications or meet performance requirements*: For the design of a tablet computer, this might be an inability to have a high definition screen resolution due to the lack of a particular hardware component. This could result in changes that echo throughout the life of the project as changes are made to compensate for a lower screen resolution.

Project team members can also suggest a change, such as revising a process. External forces, such as clients, who may want a deliverable format change can also propose a change.

It's important for a project manager to monitor the risk of these changes. If the changes are necessary, a change management process must be followed to obtain all the required approvals on the scope, schedule, and budget from the project sponsor and key stakeholders.

Once the approval is received, it will be the project manager's responsibility to integrate and document the changes with the schedule, budget, and scope, then inform the team of the changes.



### TERM TO KNOW

#### Change Management

## 2. Impact of Stakeholders

Sometimes new stakeholders are added to a project after the initial planning phase. This can occur due to organizational changes, new hires, or stakeholders developing an interest in the project's results.

The following sequence should be used when a new stakeholder is added to the project:

1. *Identify the new stakeholder.* Confirm what authority they have over the project.
2. *Document their expectations and requirements.* Follow the same process used during scope definition in the planning phase.
3. *Evaluate feasibility within project.* Assess how feasible it will be to make these changes within the current project. Remember the triple constraint; any change to schedule or budget or scope and quality will impact the other two factors.
4. *Make recommendations.* Whenever there's a significant change to a project, one that impacts the scope, schedule, or budget, the project manager must document the change through a change request.
5. *Meet with the stakeholders.* After the project manager prepares the change request, then a meeting with the project sponsor and anyone else who has sign-off authority on the changes must be held. The goal of this meeting is to receive approval or denial for the change.
6. *Determine to implement in the current or new project.* Decide if changes should be handled by the current project or, if the changes are too significant, perhaps with an entirely new project.

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## 3. Evaluating Change

Every project has some form of change, so a project manager should become skilled with the process of change management.

To create an effective **change plan**, a project manager should answer the following questions:

- *What is the change?*
- *Why is the change occurring?*
- *Does the change need managing?*
- *What is the impact on scope, schedule, and budget?*

Changes are primarily detailed by the change request, but there might be further details needed to fully outline the change.

Perhaps changes to the schedule are happening because the design of a product is poorly documented. The project manager may decide that the design documentation needs adjustment. You can see how important it is for the project manager to identify what the change is and why it is occurring.

### IN CONTEXT

What if a homeowner suddenly decides they want a second floor on their home. Does this change need to be managed?

Yes, this change certainly needs management since scope, schedule, and budget are all concerned.

What if the project is moving along, but the homeowner suddenly decides that she wants to have red paint instead of blue on the outside? What would determine whether or not this project needs to be managed?

The answer to this question is determined by answering, “Does the change in paint color affect the scope, schedule, or budget?” Unless the use of red paint impacts the scope, schedule, or the budget, then no. This project does not need to be managed.

If a project manager obtains the answers to these questions, then they can use the information to create a change plan. These should all be outlined in the change request so that stakeholders can understand how the project will change.

It's important to remember that changes can be disruptive to a project. So a project manager needs to fully document the changes, plan how they will be implemented with the least impact, and then communicate about the changes to the team and the stakeholders.



#### TERM TO KNOW

##### **Change Plan**

A formal document that describes the actions and accountabilities required to implement changes to a project.



#### SUMMARY

In this lesson, you learned how to **manage change** and minimize the **impact of new stakeholders** by confirming approval authority and documenting the new stakeholders' expectations. By answering specific questions, you learned how to **evaluate change** from which a project manager will create a change plan.

Source: This work adapted from Sophia Author Jeff Carroll.



#### TERMS TO KNOW

##### **Change Management**

The process of managing change to a project by determining required actions.

##### **Change Plan**

A formal document that describes the actions and accountabilities required to implement changes to a project.