

Program & Change Leadership Excellence

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Objectives of Presentation

- ▶ To grasp several program leadership best practices
- ▶ To see the Prosci change management methodology in use
- ▶ To learn how to handle BIG problems to mitigate risk and realize results faster

Client Summary – Con-way Freight

- ▶ LTL (Less-Than-Truckload) Transportation Co.
- ▶ \$5.8B revenue (2014)
- ▶ 8,600+ tractors
- ▶ 22,000+ employees
- ▶ 300+ operating locations in North America
- ▶ Headquartered in Ann Arbor, MI
- ▶ Freight IT and Enterprise IT in Portland, OR



Business Problem & Opportunity

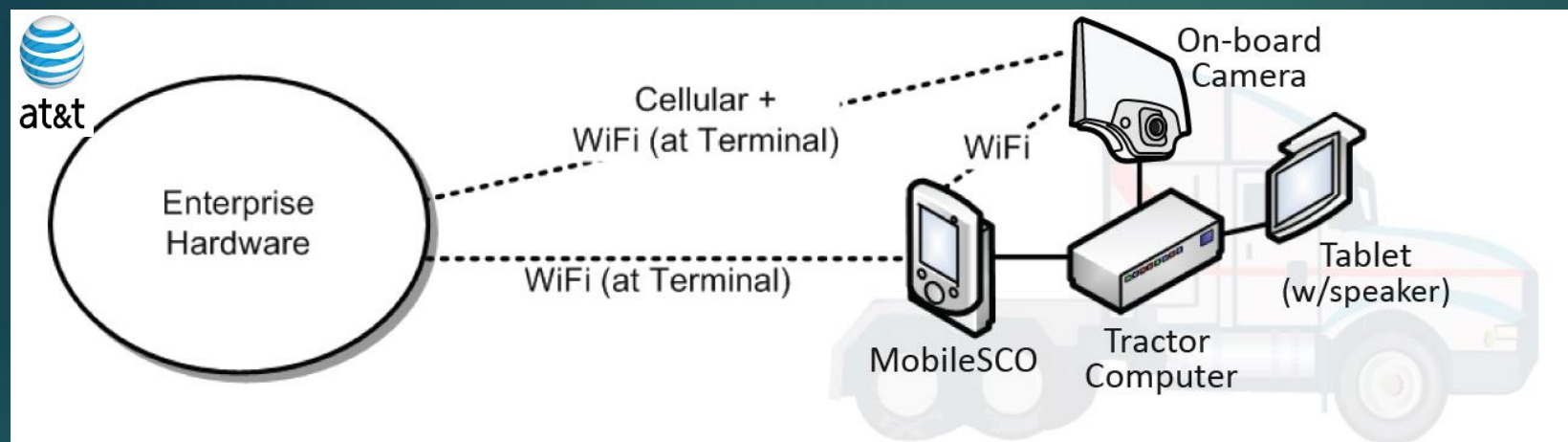
Business Problem:

- ▶ Improve driver performance (awareness, safety, shifting, etc)
- ▶ Improve safety: Reduce incidents (< Severity, < # of incidents, < Liability)
- ▶ Improve operating cost: Fuel savings 6%+ (< carbon footprint)
- ▶ Lay the foundation for future in-cab and mobile solutions

Opportunity:

- ▶ How do you leverage a technology solution to monitor and influence driver behavior?
- ▶ How do you employ change management for complex large scale program?
- ▶ How do you create long-term solution partners across a complex set of emerging technologies?

Solution – Event Camera & EOBR Unit



In Cab:



DriveCam Event Recorder
(view forward/Road
and view backward/Driver)



EOBR –Vnomics OBC
(on-board computer
Linux Server)



**Installation & Deployment
Services and Ongoing Support**

Solutions Summary

- **EOBR Computer:**

- Reads data from tractor computer to understand and influence driver behaviors
- Real-time & dynamic data feeds for Safety, MPG, preventive maintenance, etc.
- Enables electronic log generation (FMCSA proposed regulation)

- **Event Camera:**

- Records & transmits event-triggered video via forward and in-cab facing cameras
- Provides visibility to behaviors (new ability to see “near-misses”)

Duration:

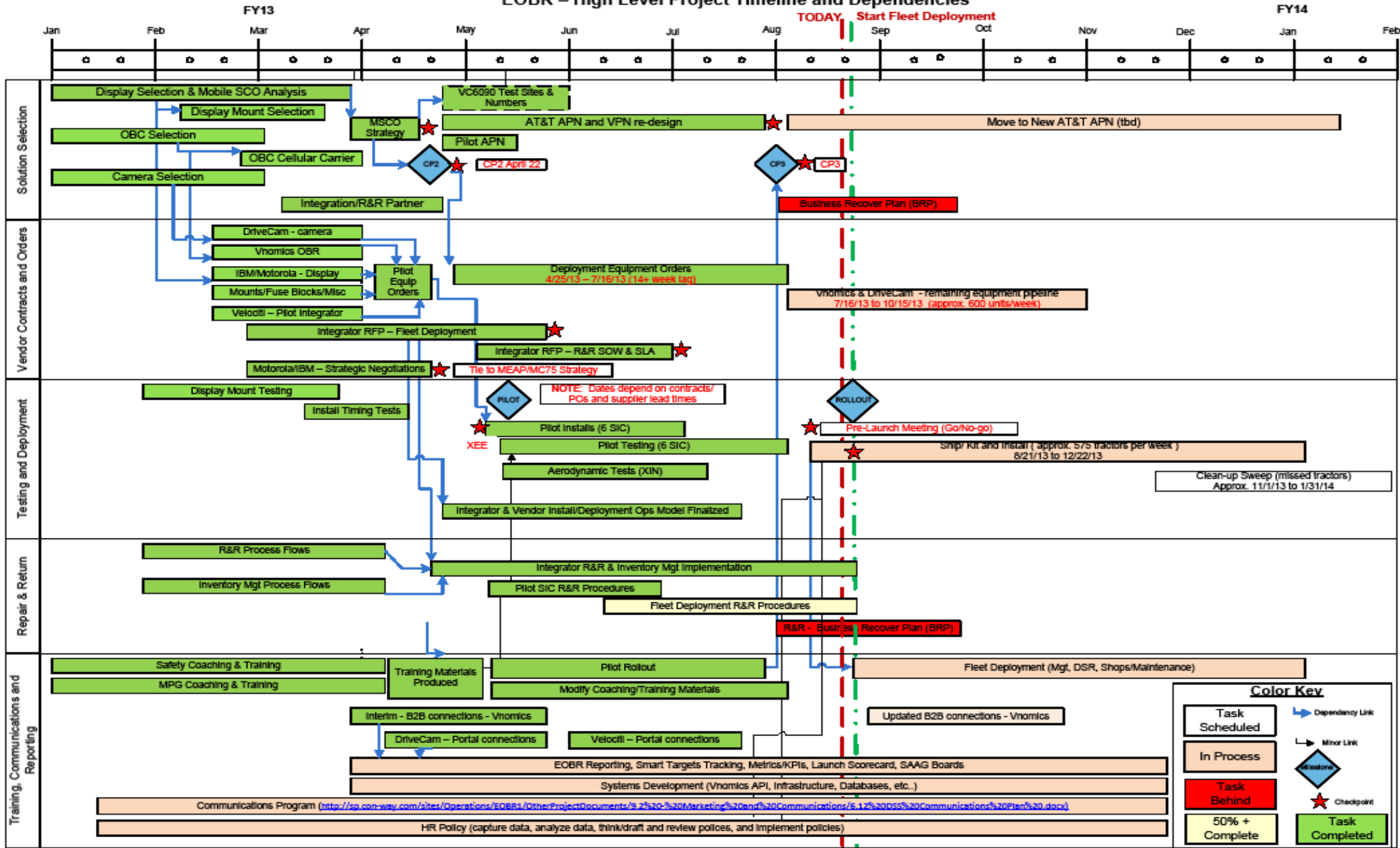
Proof of Concept:	3 months
Solution Selection:	4 months
Planning/Pilot:	4 months (250+ tractors, 6+ sites)
Deployment:	4 months (8,400 tractors, 270+ sites)
Ramp Down:	2 months (note: plan was 6 months)



Program Structure

- ▶ Con-way Program Team:
 - ▶ Freight Operations (sponsor), Freight IT, and Enterprise IT (shared services)
 - ▶ Vendor Partners (6 vendors)
 - ▶ Headcount: Con-way 25+; Vendor 60+
- ▶ PMO and Governance:
 - ▶ Business PMO – lead PMO, using Lean based “7 Step Project Management”
 - ▶ Change Management project reported into Program Executive Sponsor
 - ▶ Freight IT and Enterprise IT - coordination across Con-way & Vendor Eco-System
 - ▶ **HEAVY** use of Issue/Risk/Change Logs, Status/Checkpoints and Phase Gating
 - ▶ Use of Escalation Tiers and Countermeasure Playbooks
 - ▶ F2F Vendor planning, Weekly Program and Daily “Scrum” Call/meetings
 - ▶ Governance – weekly check-in, bi-weekly Process Owner/Champion meetings

EOBR – High Level Project Timeline and Dependencies



Program/Change Execution

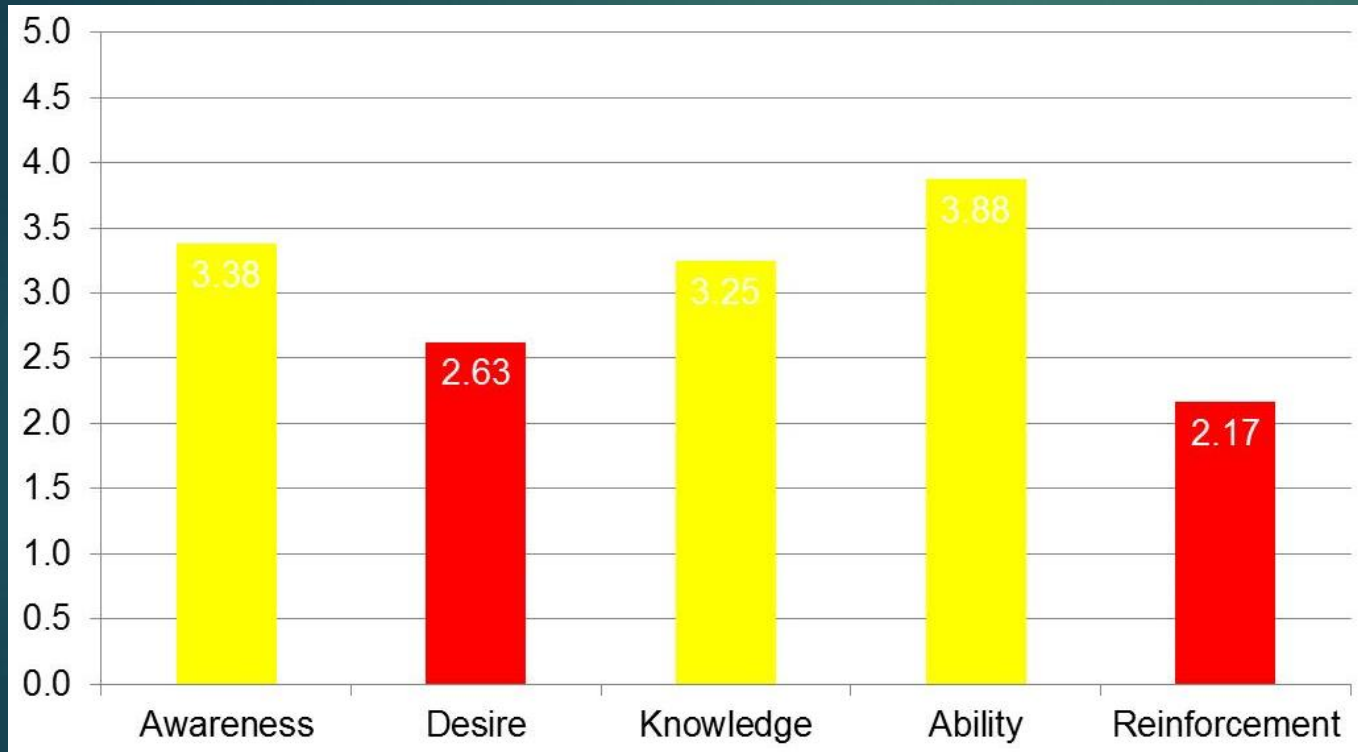
Program Execution

- ▶ **First time** any USA company has done **both** event camera & EOBR at same time!
- ▶ Vendor negotiations/solution and link to Mobile Device Strategy
- ▶ Early & frequent use of face-to-face (F2F) meetings with vendors/client teams
- ▶ Schedule driven by service center profile
- ▶ Team created/used **countermeasures playbook** (“What-if” scenarios)
- ▶ Created an environment that facilitated a **high performing team**
- ▶ Experienced 4+ potential showstopper events – all mitigated successfully

Change Management (CM)

- ▶ Sold value of CM services
- ▶ Quick hit CM assessment provided momentum to engage
- ▶ **Used Prosci:** easy to understand & quantify adoption of change
- ▶ Prioritized application of CM to high risk, high volume centers
- ▶ Deployed ADKAR survey, reported results to senior leaders brought visibility of change resistance
- ▶ Delivered CM training and coached center leaders on how to enable faster adoption

Change Management - Examples



- *Why are you watching me?*
- *The union companies don't have this.*
- *The computer is distracting.*
- *I'm paranoid about the camera going off.*
- *The camera makes me angry.*
- *Do not like being recorded.*
- *Turn the camera off, it's annoying.*
- *It's easy to beat the system – you could shift a lot in a parking lot to raise your score.*

Program Results

- ▶ **Schedule:** 99% + installation success to original rollout schedule
- ▶ **Budget:** At or under budget thru deployment phase
- ▶ **Business Goals:**
 - ▶ Fuel savings achieved, but not at target
 - ▶ Safety improvement metrics on track
- ▶ **Program Management:**
 - ▶ Realized value of program management in complex business solution
 - ▶ Successfully overcame four major technical & weather obstacles
 - ▶ Negotiated favorable carrier rates for other mobile devices
- ▶ **Change Management:**
 - ▶ Resistance to solution (esp. event cameras) overcome during first 2 months – using CM and communications strategy
 - ▶ Workforce risks were mitigated and change management used for future programs housed in business PMO

Lessons Learned

Program Management

- ▶ Importance of Executive sponsors from Business & IT – who are engaged and accessible
- ▶ Communications, communications, communications!
- ▶ Importance of F2F meetings... early stages
- ▶ Staying on top of risks so they don't become issues!
- ▶ Rapid use of Sponsor Escalation Tiers
- ▶ Create/Rehearse “Crisis Playbook” and “Countermeasure Guide” - because things happen that are impossible to forecast
- ▶ Work with vendor partners who had done this before... essential for high performing teams
- ▶ Greater emphasis on post-deployment support and return & repair
- ▶ Smoother transition to post-deployment solution owner

Change Management

- ▶ Engage CM resources and counter-measures earlier in the program – stage one
- ▶ Strengthen connection of CM to realization of business results
- ▶ Prosci & CM dove-tailed nicely with Con-way's Lean approach to business operations
- ▶ Find the right owner/sponsor for CM ... and invest in team & skills



Quotes and Extra Slides

QUOTES



Complexity and Challenges

- The scale and the compressed timeline of the installation was the biggest challenge of this project.
- Tracking the logistics of all the moving parts and coordinating different vendors was the biggest hurdle.

Integration across multiple partners

- The successful integration of multiple technologies in the cab is a testament to the competence and willingness of all partners to advance the state-of-the-art in driver and fleet performance.
- The regular interval of communication and detailed planning was instrumental in the success of this project.

The Results

- The real-time driver coaching technology deployed during this program coupled with Con-way's Change Leadership and Coaching programs has led to significant improvements in driver performance, which translates directly into better fuel economy and improved safety.
- We are now starting to leverage the insights received from the systems' data analytics to improve maintenance practices, uptime, and utilization.

Lessons Learned

- Put more resources behind ongoing sustainment and training, as well as placing more emphasis on exploring other ways the system can help improve operating ratio.

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Complexity and Challenges

- Overall - not many challenges. Con-way was excellent to work with. They truly are the gold standard for project management. They made this complex project easy.

Integration across Multiple Partners

- Make sure people are talking the same language - IT to IT, Business to IT, Business to Program, Implementation team to implementation team

The Results

- Project completed on time
- The entire Con-way company understood and accepted the project - communication to all employees and families) was a key to success

Lessons Learned

- Excellent project management is the key to flawless execution – Con-way was a great teacher
- Having detailed schedules by work-stream
- Having a Playbook for “What if” Scenarios
- Constant communication – including Face-to-Face meetings; strengthened teamwork

“The Con-way project was by far one of the smoothest deployments Lytx has participated in. Dedicated project managers and our close relationship with Velociti were crucial to the success of this project and made the difference between an average deployment and a world-class project execution with results to show for it.”

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This was the first ever nationwide deployment of both an in-cab event camera and EOBR solution -- it is a credit to the teams to have pulled off a nearly flawless deployment.

Managing the supply chain was a critical piece to the puzzle. With only 4 months to install multiple in-cab devices in some 8,600 tractors, there was no room for error or delays



Video Event Recorder

DriveCam
POWERED BY Lytx

