



# Overcoming Resistance to Change: The Real Catalyst to Achieve Procurement Transformation

Procurement Excellence Network (PEN) Training

September 20, 2024



In the chat, please  
share **your name**  
and **government!**

# How can you engage in this session?



Please use the  
**“Raise Hand”**  
function on Zoom!



If able, please  
**turn on your  
Zoom camera!**



Look out for  
**discussions and  
resources**  
in the Zoom chat!

# Today's focus on "Overcoming Resistance to Change" comes directly from you!

In our PEN member feedback survey from earlier this year, **38%** of respondents said they wanted to discuss "**Workforce-related challenges and motivating procurement teams**" with their peers.

"We are **experiencing resistance** from departments in **adopting new procedures...**"

"Getting staff to **change their mindset** has been tough..."

"We need to **modernize our procurement code**, and we need to **get buy-in** from both the Administration and Council..."

# Session Roadmap

01

## The “Change” Challenge

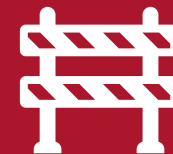
Why is implementing change in public procurement so hard?



02

## Overcoming Barriers to Change

What strategies can resolve common roadblocks to change?



03

## Measuring Success of the Reform

Which indicators confirm if change is happening?



Join us for a post-event session (30 minutes) to learn and share **change management success stories and challenges!**



## **Section I: The “Change” Challenge**

**Why is implementing change in public procurement so hard?**

# Implementing change in public procurement can be tricky



**Has your government ever attempted to launch a procurement reform, only to encounter resistance or avoidance from key stakeholders?**

# **PEN Member Story: “We created standardized procurement templates, but the user departments are not using the tools!”**

“Standardized templates would make life easier for all, but gradually, staff stopped using the new templates in favor of the ones they were familiar with.”



“We engaged team members to gather their feedback and developed templates with their perspectives in mind – but we are surprised some are not using them.”

“In a decentralized environment, it’s harder to enforce compliance and oversight without buy-in from agency heads across various departments.”



**Does this change management challenge resonate with you?**  
Please raise your hand to share or write in the chat!

# What makes implementing change so difficult in public procurement?



## Lack of Planning

Insufficient time spent assessing the change “challenge”, its impact on stakeholders and/or designing a robust implementation plan upfront.



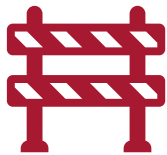
## Minimal Stakeholder Buy-in

Impacted stakeholders are rarely invited into the ideation and planning process requiring them to first react to changes during implementation.



## Competing Commitments

Priorities across levels, roles, and departments differ; with each group having diverse goals and interests they prioritize.



## Risk-Averse Culture

To be responsible stewards of taxpayer dollars, public procurement traditionally supports a more risk-averse approach to significant process changes.



## Change Fatigue

Often there are so many ongoing efforts to improve procurement processes that without proper sequencing of change initiatives staff can burn out.



## “Good Enough” Philosophy

Change is not always seen as positive. Despite frustrations with current processes, teams are comfortable working within the status quo system.

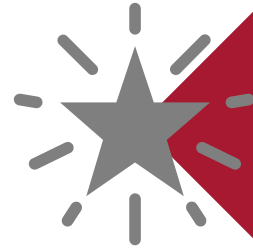


# Governments have been able to successfully build buy-in and implement change... and you can too!

## Carmel, IN

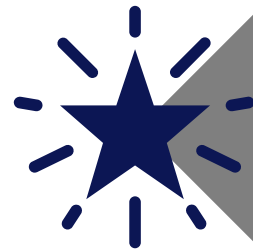
### Change Goal:

Planning and sourcing of e-procurement system to be used across 19 decentralized departments



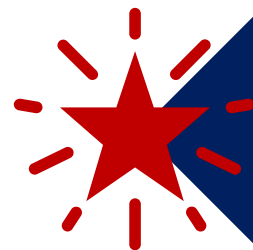
### Challenge:

Limited understanding of how departments were managing competitive solicitations (>\$50K); desire to digitize procurement processes



### Change Approach:

Buy-in from 2 influential offices  
Meetings with depts. to assess process pain points  
Clarified value proposition early & consistently



### Key Takeaway:

“Building rapport was critical. We will continue to bring our stakeholders along on the journey as we move to implementation.”

# PEN Pulse Poll



**What type of procurement reform is your government currently prioritizing?**



**What barriers does your government face to advance your procurement reform?**

## **Section II: Overcoming Barriers to Change**

**What are strategies to move past common roadblocks to change?**



“If you want **change agents, you need to develop them.** Some public government employees **have never been formally trained along the lines of change management** at the staff level.

Therefore, it is sometimes hard to understand the value proposition of change! **Empower and equip your staff to become a part of the vision.**”

Biko Taylor

Director of Procurement Services

North Texas Toll Authority (NTTA)

*Former Chief Procurement Officer (Portland, OR)*

# Strategies to Address Common Change Management Challenges



## Lack of Planning

Insufficient time spent assessing the change “challenge”, and its impact on stakeholders and/or designing a robust implementation plan upfront.

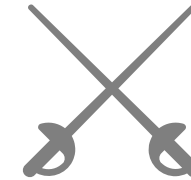
- ❑ Stakeholder Impact Assessment
- ❑ Change Management Plan



## Minimal Stakeholder Buy-in

Impacted stakeholders are rarely invited into the ideation and planning process requiring them to first react to changes during implementation.

- ❑ Communications Plan



## Competing Commitments

Priorities across levels, roles, and departments differ; with each group having diverse goals and interests they prioritize.

- ❑ Immunity to Change X-Ray

# Challenge #1: Lack of Planning

## Case Study: Municipality of Halifax, Canada

**Challenge:** To provide better support for specialized solicitations and contracts, the purchasing team needed to realign staffing roles to increase efficiency. There was resistance to change because of the longstanding relationships with customer departments.

**Goal:** Transition the procurement department from a client-based structure (*staff assigned to various departments*) to a category-management model (*staff assigned to a specific procurement category like construction or IT*).

### Actions:

- Assembled a team of “change champions” to help identify impact and appetite for change across the organization
- Built a robust change management plan to successfully map out the roll-out plan

## Best Practices

- **Invested resources in a discovery period** to capture feedback from impacted stakeholders
- **Understood the organization’s “change track record”** and leveraged lessons learned
- **Documented potential “paths to resistance”** and created mitigation strategies early

# Lack of Planning Strategy: Stakeholder Impact Analysis

Evaluating how a decision or action will impact internal staff or external stakeholders before making a change.

Identify **“Change Champions”** and assemble your change management team

- Recruit diverse staff, with varied expertise, personalities, and influence to help coordinate change efforts.
- Align internally on change expectations, goals, and outcomes.
- Craft messaging to sell the “benefits” and “wins” to key stakeholders.

Explore **how stakeholders will be affected** by the change

- Determine who will ultimately benefit (directly or indirectly) from the change.
- Identify who has influence on the success or failure of the change.
- Assess who needs to adjust or modify behaviors as a result of the change.

Assess **how stakeholders will react to** the upcoming change

- Identify which stakeholders are likely to support, oppose, or be neutral to the change.
- Clarify the scale and severity of the impact.
- Map out whose expertise or knowledge will be necessary to move the change forward.

# Lack of Planning Strategy: Change Management Plan

**A Change Management Plan is a strategic playbook.**

Describes the **process, procedures, and protocols** necessary for implementing an organizational change across your government.

## Components of a Change Management Plan

- ✓ Executive Summary
- ✓ Change/Vision Statement
- ✓ Definition of Success (Outcomes)
- ✓ Change Impact Assessment
- ✓ Change Management Team Structure & Roles
- ✓ Implementation Schedule
- ✓ Communication Plans/Messaging
- ✓ Stakeholder Feedback & Evaluation
- ✓ Resistance Management Plan
- ✓ *and more...*



# Example Change Management Plan

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This plan outlined the “change” goal, who was leading the work, and how it would be done.

Change Characteristic:	Score (0-5):
<b>Scope of Change</b> (1= Workgroup, 5=Enterprise)	
<b>Number of Impacted Employees</b> (1= less than 10, 5= over 1000)	
<b>Variation in groups that are impacted.</b> (1= All groups impacted the same, 5= Groups experience the change differently)	
<b>Type of change</b> (1=Single aspect, simple change, 5= Many aspects, complex change)	
<b>Degree of process change</b> (1=no change, 5=100% change)	
<b>Degree of technology and system change</b> (1=no change, 5=100% change)	
<b>Degree of job role change</b> (1=no change, 5=100% change)	
<b>Degree of organization restructuring</b> (1=no change, 5=100% change)	
<b>Amount of change overall</b> (1= Incremental change)	
<b>Impact on employee compensation</b> (1=No impact, 5=Large impact)	
<b>Reduction in total staffing levels</b> (1=No change expected 5= Significant change expected)	
<b>Timeframe for change</b> (1=Very short (<month) or very long, 5= 3 months to 12 months)	
<b>Total Score:</b>	

Developing a “Change Risk Assessment” rubric provided a consistent and transparent method for measuring the scale of impact.

# Challenge #2: Limited Stakeholder Buy-in/Engagement

## Case Study: Massachusetts Department of Housing & Community Development

- **Challenge:** Senior leadership identified frustrating and inefficient procurement, contracting, and invoicing processes as a significant strategic priority for the agency.
- **Goal:** Develop a multi-year reform plan to slowly make the procure-to-pay (P2P) process less burdensome and more predictable for all staff.
- **Actions:**
  - **Sourced ideas via 40+ discovery calls** with key stakeholders on the highest priority process pain points.
  - **Hosted P2P Roadshow** to report back overall process reform plan.
  - **Constant flow of communications and project updates** sent to the stakeholder group throughout reform period to keep group engaged.

## Best Practices

- Launched robust **“Campaign of Understanding”** with detailed communications describing:
  - **“Who is impacted”**
  - **“What is changing”**
  - **“When changes will occur”**
  - **“Where changes will be seen”**
  - **“Why changes are necessary”**
  - **“How these changes *impact You!*”**
- Created frequent **public “feedback loops”** with stakeholders to discuss change openly

# Stakeholder Buy-In Strategy: Communications Plan

## Discovery Process



The Cross-Divisional Team interviewed over **40 individuals across DHCD over six weeks** to gather perspectives on **pain points** related to the procurement to pay process, as well as **best practices** and **ideas for improvements**.

### Legal/Procurement/Ops/IT

- ❖ Chief Counsel
- ❖ Counsel
- ❖ Director of Procurement
- ❖ Operations Manager
- ❖ General Services/Procurement Mgr
- ❖ IT Director
- ❖ IT Program Manager

### Finance

- ❖ Chief Financial Officer
- ❖ Budget Director
- ❖ DHS Fiscal Director
- ❖ DHS Contracts Manager
- ❖ DCS Fiscal Director
- ❖ PHRA/Housing Dev Fiscal Dir
- ❖ Housing Dev Finance Manager
- ❖ PH Admin and Finance Manager
- ❖ PH Capital Finance Manager
- ❖ Rental Assistance Fiscal Director
- ❖ Internal Controls Officer
- ❖ Fraud Risk Manager
- ❖ Accounting Director
- ❖ Accounting Supervisor
- ❖ Accountant (2)

### Program

- ❖ DCS Director
- ❖ DCS Deputy Director
- ❖ DCS Comm Services Unit Manager
- ❖ DHS Deputy Director
- ❖ DHS Dir of Homelessness Family/Indv Contracts
- ❖ DHS Dir of Individual Homelessness
- ❖ DHS Balance of State COC
- ❖ DHS Prog Dir HomeBase and RAFT
- ❖ DHS Contract Specialists (4)
- ❖ DHS Asst Dir Placement
- ❖ HD Division Director
- ❖ HD Associate Director
- ❖ HD Housing Specialist
- ❖ PH Bureau of Housing Dev and Construction Director
- ❖ PH Dir of Proc/Construction Mgmt

Clear communication of the process for identification, prioritization and/or rationale for making the change.

Listed departments who were involved in process to show the breadth and depth of feedback.

DRAFT FOR POLICY AND PROGRAM DEVELOPMENT

# Communications Plan (cont'd)

## P2P Reform Initiative



- Implementation of P2P Reforms will follow a similar strategy to **software releases**. Specific initiatives will be sequenced in a way that minimizes disruption and maximizes impact.
- All **53 “change initiatives”** generated via the discovery conversations will be tagged to **8 different reform phases** over the **course of two years**. They include changes related to processes, policies, training, tools, forms, and IT enhancements.
- Each **reform phase lasts** for about **three months**. **A steering committee will review** all final “change initiatives” for a **go-no/ decision** before they are launched at the end of a reform phase.

Outlined scale of changes and the process for approving/launching changes.

Year 1 Estimated Timeline (could shift depending on other priorities)

Project Phase	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Discovery	█	█										
Communication + Project Launch		█	█	█	█							
Reform Phase 1					█	█	█					
Reform Phase 2						█	█	█				
Reform Phase 3								█	█	█		
Reform Phase 4											█	█

Year 2 Estimated Timeline (could shift depending on other priorities)

Project Phase	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Follow Up Discovery	█	█	█									
Reform Phase 5			█	█	█							
Reform Phase 6					█	█	█	█				
Reform Phase 7								█	█	█		
Reform Phase 8										█	█	
Project Close												█

Reform Phase	# of Initiatives
1	10
2	10
3	10
4	7
5	5
6	3
7	4
8	2
Complete	2

Provided a clear, user-friendly roadmap/timeline schedule of change

DRAFT FOR POLICY AND PROGRAM DEVELOPMENT

# Communications Plan (cont'd)

## Proposed Reform Phase I Initiatives



Type of Change	Initiative Description
Policy Change	Update employee reimbursement policy guidelines
Process Change	Explore opportunities to remove or simplify PRC form for invoicing to eliminate manual errors
New Tool/Resource	Central place to report and track all P2P gray area decisions encountered by staff
Process Change	Create P2P Governance Committee to help decide gray area decisions
Process Change	Successfully test OSD Contract Lifecycle Management (CLM) system within DHCD
Process Change	Establish debrief meetings following complex contract execution processes (DHS Pilot) + Inform User Guide for Contract Execution
Policy Change	Explore removing notary requirement for CASL form and replacing with eSignature
Policy Change	Implement best practice guidance requiring use of doc description field on contract input form
New Tool/Resource	Contract Renewal Decision Guide (programmatic and process tool)
New Training	Contract Execution 101 Refresher by Accounting Team

This “glossary of changes” is user-friendly and can be pinned on a wall or saved as a quick-reference resource.

Understanding how a change impacts staff is important to adapt to change – this communication clearly showed a glossary of change initiatives, new or adjusted policies, resources, and training opportunities.

# Challenge #3: Competing Commitments

## Case Scenario: RFP Review Bottlenecks

**Challenge:** In a newly designed procurement process, a department director now delegates review of most RFPs to her deputy since her review previously created a bottleneck in the process. Sometimes an RFP draft would sit on her desk for months!

However, despite signaling her commitment to the new process, the department director is still heavily involved in looking at RFPs, and the bottleneck hasn't been solved.

# Let's Discuss: "What might be happening here?"



Why do you think the Department Director is resistant to the change made in the process?

What other priorities could be competing with her commitment to honor the new process?

# Understanding competing commitments can help unlock the motivations of key stakeholders

## Commitment

I am committed to delegating authority for reviewing most RFPs to my deputy.

What are you (or your team) doing?	What are you (or your team) not yet doing?	Competing Commitment	Big Assumption
<p>I keep reviewing RFPs that I have assigned to my Deputy even though it is her role to provide feedback.</p> <p>I am still suggesting edits or new approaches to RFPs and am not giving that feedback in a timely manner that helps my team.</p>	<p>I have not yet helped my deputy understand what I commonly correct or change when I review an RFP.</p> <p>I have not yet given my staff a clear idea of what types of problems in an RFP they should flag for my attention.</p>	<p>I am committed to every RFP that our department issues being an accessible and high-quality document.</p> <p>I am committed to providing value to all work that my department does, so that people see me as staying close to the work.</p>	<p>If I don't look at every RFP, our department might be at legal or reputational risk, and the blame would fall on me.</p> <p>If my deputy reviews RFPs and I don't, she might miss a crucial error in the document, or the RFP might be issued with a crucial piece of information or context missing.</p>



# This X-ray is a core part of the Immunity to Change framework



**What is the commitment (or change goal)** that you personally or your team agrees is important?



**What has already been done** to achieve that goal?



**What are you not yet doing** to achieve the goal?



**What is the competing commitment** (e.g., actions or mindset) that pushes you away from the initial change goal?



**What is the big assumption (or conclusion)** reached about your stated commitment that's causing resistance to change?

# Template: Immunity to Change X-Ray

Commitment (Change Goal)

**What are you (or your team) doing?**

**What are you (or your team) not yet doing?**

**Competing Commitment**

**Big Assumption**

# [Publication]: “Why Reforms Encounter Resistance: How to Overcome Immunity to Change”

**QUICK READ**

HARVARD Kennedy School  
Government Performance Lab

Procurement  
Excellence Network

## Why Reforms Encounter Resistance: How to Overcome Immunity to Change

Authors: Hope Patterson  
Contributors: Kailey Burger Ayogu, Colin Erhardt, Maja Gray, Elena Hoffnagle

### Introduction

Change can seem scary, even if it feels very necessary! Have you ever tried to make a substantial change – or even a small tweak – that you know will improve your government’s efficiency and results, and yet colleagues seem to resist your every move? Or have you tried to make a change in your own leadership style, perhaps to micromanage less or advocate more for controversial ideas, but you find yourself quickly reverting to old, familiar habits?

You may be experiencing immunity to change – the innate aversion to change that we all have. This phenomenon was first described by two Harvard Graduate School of Education faculty members, Robert Kegan and Lisa

Lahey, in their book *Immunity to Change: How to Overcome It and Unlock the Potential in Yourself and Your Organization*. While this framework has been used in many settings, we think it applies very well to change management challenges faced in procurement transformation efforts.

To learn more about the framework, see helpful links noted in the appendix. In this publication, we aim to provide a high-level overview of the framework and then explore ways you might apply this framework to common challenges faced on procurement teams, to ultimately overcome resistance to change so that you can advance your government’s goals for transforming procurement.

Appendix A: Blank Diagnostic X-Ray

Commitment	What are you doing?	Competing Commitment	Big Assumption
	What are you not (yet) doing?		

Check out Robert Kegan’s and Lisa Lahey’s book **Immunity to Change: How to Overcome It and Unlock the Potential in Yourself** to learn more about this concept of breaking down barriers!

**The X-ray tool** can be used to either think about a change you want to make individually, or to diagnose resistance your team or organization is facing.

## **Section III: Measuring Success**

**Which indicators confirm if change is happening?**

# Change is not linear and can be incremental at times. How can you measure if change is actually happening?

- Are you noticing any **shifts in the behaviors** of staff?
- Are you noticing **changes in the motivations** of staff?
- Are you noticing **changes in compliance** – are metrics telling the story (positive or negative) of progress?
- Are there **increased conversations/dialogue** within and across departments between peer staff and with leadership?
- Are **changes being proactively adopted** to other challenges that were not in the original scope?

# Change Management Advice from PEN Members

## Zak Kelley

*Special Advisor for Procurement  
Strategy & Innovation*  
Metropolitan Government of Nashville &  
Davidson County

**“Change is everyone’s job,**  
**but** it helps if you have  
someone in charge of  
corralling that process.

**If no central person is  
shepherding the changes,  
things can get lost or  
stagnate.”**

## Andrew Greeson

*Purchasing Analyst*  
City of Carmel, Indiana

“When making change, even  
when you plan well,  
something may go wrong.

**Level set with the involved  
parties on expectations  
and impacts** to make sure  
they understand the process  
and the learning curve  
involved.”

## Stephen Terry

*Strategic Portfolio & Policies Consultant*  
Halifax Regional Municipality  
Nova Scotia, Canada

**“Engage stakeholders  
early and frequently.** They  
need to feel ownership and  
value and need to feel like  
they’re part of the change.

**Shift the mentality from  
being “victims of change”  
to active participants.”**

**ZOOM POLL**

We want to hear from you!

Please share feedback  
about today's session!

**FEEDBACK IS ANONYMOUS!**

# SURVEY



**CLICK**

Click here for more information

# Join the **Procurement Excellence Network** today!

**Trainings and Roundtables** on trending procurement topics



Growing library of **best practice publications and templates**



**Coaching opportunities** with GPL experts to workshop procurement challenges



**Directory and Discussion Board** to facilitate connections with peers



The **Procurement Excellence Network (PEN)** is a **FREE** community built by and for government professionals.

With more than **1,800 members**, PEN offers resources to help your government take its procurement practice to the next level.



# Schedule a PEN Coaching Session with GPL Experts!

Do you have a procurement reform or challenge that you would like to workshop?  
Interested in learning best practices for a pressing procurement challenge?

**We have provided pro-bono coaching to over 100 governments, helping them navigate complex procurement challenges for sustained success!**

## Challenge

A mid-sized government aimed to improve communication between central procurement and user departments at the start of a solicitation process.

## Outcome from PEN Coaching

The city leveraged PEN resources to customize a new procurement intake form and solicitation kickoff meeting approach to clearly align on the specific agency need.

# Join us for our next PEN event!

## Improving Vendor Certification Programs to Advance Procurement Equity

Thursday, November 7 | 1-2p ET



Join PEN for an interactive session that explores the **benefits and challenges of vendor certification programs**.

During this training, we'll explore tactical strategies that will help your government:

- Assess whether to launch a new certification program
- Streamline existing certification processes
- Help certified firms meaningfully participate in contracts.

***We look forward to seeing you there!***



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Government Performance Lab

**Procurement  
Excellence Network**

# Overcoming Resistance to Change: Open Discussion

Procurement Excellence Network (PEN) Training


September 20, 2024

# Welcome!

## Zoom Poll

**Why are you joining  
this additional  
discussion?**

Please select the option  
that best describes your  
reason for participating  
to help us guide the  
conversation.



If able, please  
**turn on your  
Zoom camera!**



You are **welcome to  
engage as much as  
you are comfortable**  
in this discussion.

# Discussion



Open dialogue with peer governments on experiences, best practices, and strategies for navigating change management challenges.



Please **share a change management question or challenge** that you are currently facing



Please **share change management best practices and successes** from your government



Please raise your hand to come off mute to share or write in the chat!

# Before you embark on a change, align on these 4Ps



**Purpose:** What is the purpose of the change and what is the value proposition to the relevant stakeholders?



**Pathway:** What is the overall strategic direction? Is there clarity on the ideal outcomes?



**Politics:** What is the current climate and is there support/buy-in? Is it the right time for change?



**People:** Who is impacted? What do the stakeholders think about the change and what is their appetite for change?