
Managing the Human Side of Digital Change:

A case study on the Halifax Port Authority and Saab port system project

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1 Abstract

In this paper, Saab and the Halifax Port Authority will jointly provide a review of their recent port management system implementation project from the perspective of the human side of digital change. We will discuss the port's process, leadership vision, execution and success factors. We will examine the client and vendor roles and transparently describe what worked and did not work. We will provide a methodical recommended approach for ports that are considering change. We are driven to share our experience given the heightened emphasis on technology change in the maritime industry. New systems mean a learning curve for people. Digitization is a buzzword that needs to have some pragmatic strategic planning in order to succeed on the technology itself. We further suggest that the technology planning is only half the equation, and actually the easy half. The human side of the strategy needs just as much attention in order for any transformative port wide technology to succeed.

Our paper and presentation will discuss the joint project from the stage of an idea in 2019 just before the pandemic, through the execution with an all-remote forced methodology due to travel restrictions, to the positive conclusion at the end of 2021. We will share the "people approach" taken, the wins and challenges along the way, and provide a suggested tips and methodical systematic plan.

There are many models for human change and we will discuss our view of the best pieces from the science of change management.

This open discussion of a real transformative journey is both a case study approach and a 'how to' manual on the IHMA theme of "Shaping for a better, safer future".

Most maritime leaders recognize they need to make technology change, but struggle with how to go about it. The precious budget commitment needs to be spent wisely with a plan for complete success (human + technology) in order to ensure real value is realized, and the change is not only transformational but sustainable and inspirational as well. Innovation around us will keep driving forward and we need our people to embrace, engage and lead it for our piece of the world.

2 Setting the stage

2.1 Why is it important to pay attention to the people side of a technology change?

We are driven to share our experiences, both individually from the port's perspective as a client, and from Saab's perspective as a vendor, as well as the shared experience, since the trend is toward technology change in the maritime industry in general, and especially as heightened, during and due to necessity, since the pandemic. New systems mean a learning curve for people. Digitization is a buzzword that needs to have some pragmatic strategic planning in order to succeed on the technology itself. We further suggest that the technology planning

is only half the equation and actually the easy half. The human side of the strategy needs just as much attention in order for any transformative port wide technology to succeed.

As we will discuss later in the ‘science of change’ section, there is research to support that “effective change management” increases the likelihood of success of a change by 6X. That is a factor significant enough to not ignore. In addition, when coupled with the element of financial success of the project, which suggests a direct correlation of good change management to achieving financial outcomes, change management efforts are clearly also a return on investment.

2.2 What is change management?

A definition we like is:

“Change management is the application of a structured process and set of tools for leading the people side of change to achieve a desired outcome. Ultimately, change management focuses on how to help people engage, adopt and use a change in their day-to-day work.” (Prosci [5])

Dissecting that for a brief look, ‘structured’ is an important notion in our view. Planned, deliberate steps and activities are necessary to give a framework for people to lean on throughout the change timeline.

For us, missing from the Prosci definition is the element of time itself. Change can certainly happen overnight, but most often takes a simmering period to be effective. We have found that deliberately focusing on aspects of people change from the earliest moment when the idea is still just an idea, all through to the project finish is the best approach, regardless of the duration. The timeline will look different for individuals in the port with different roles, who are more or less impacted by the change; and can unfold progressively and naturally when purposely channeled. Start early, attend to people often, and they will come to a place where they are leading themselves toward change.

2.3 Discussion of Roles in a Digital Transformation Project

2.3.1 Client role

The most important role a client needs to fulfill is to know their own business well and share openly with their vendor. This is an important concept often not followed. Clients do not have to write their own detailed requirements in technical terms. In fact, that exercise puts the “people side” already into stress trying to become technical experts while also figuring out how to change habitual processes at the same time. It is often overwhelming. It works best if a client looks into every corner of the organization for *how* things are done, and *why* things are done. Understanding the miniscule detail of the “why” can shine a light on efficiencies possible. The client role is to be the expert on themselves.

2.3.2 Vendor role

A good vendor will complement the client’s strengths and draw out the “why” just mentioned above. A digital project can become truly transformational when a vendor brings their expertise and best practices, and challenges the client to consider change. This is a ‘people’ exercise. Technology can do virtually anything, including replicating old paper or old system habits on simply new tech. True transformation is working in close partnership with the client to find new ways that are better, safer, more efficient, time saving, accurate, easier, and everything in between.

3 Halifax Port Authority – ‘The Client’ view

3.1 Leadership vision

Captain Gray thought about his people from the first moment. His effort went into setting the tone that change was necessary, had tremendous value, and that outcomes were not being imposed on anyone. All input was critical to shape the future. In the port’s work to use an organized approach to the project, this vision setting was the first step in using the ‘ADKAR’ model method, the first ‘A’ in ADKAR is for ‘awareness’ [6]. The early discussions involved all parts of the organization, leaders, their people, everyone. This evolved into a process of investigation, technology comparison, enlightenment, and much discussion, to get to a consensus plan. His people truly owned the process, not just him or his leadership team. This meant trust was being built at all levels, up and down.

3.2 Core team

The Halifax Port Authority (HPA) assembled a core team that stayed in place throughout the project. The members of this group were from different departments and levels, with high interest and involvement. The team had help where possible to ensure they could manage their day job and the project work, handle challenges and focus on success. The work of the core team had many intentions, most obviously deep domain expertise plus continuity, which enabled strong leadership through to the end of the project. HPA focussed on this upfront in the early stages naturally, but it also became a key enabler when they leaned into the ADKAR model, as the ‘D’ represents ‘desire’ in the model. Quoting directly from Prosci, these are tactics for building “Desire”:

- Active and visible primary sponsor
- Strong sponsorship coalition
- Personal engagement by coaches
- Proactive management of resistance
- Strong employee involvement in creating the needed solution
- Incentive programs aligned with the change

HPA actively used the first 5 tactics.

3.3 It is a journey

Ease in - not expecting it to be ‘easy’. The job of transformation is messy, and the best successes were found in the details. Time is needed to dig, to vet, to adjust, to handle emotions, to give all the people and their nuances time to get there. It is not an overnight possibility. Consider that the complexity of a digital change is more than the technology: it is a holistic business project that means people + process + technology + data. This also means planning for the time that may take. The duration of the project from an idea to live was about two years. Staffing changes happened, operational changes happened, but the project went on. Expecting all of this to be normal, and flexing to adapt throughout, are viewed as significant reasons for the success of the project.

3.4 Communication

Since HPA kicked off the idea of a digital project by involving everyone, it was natural to ensure this became a core strong pattern. It was accomplished in many ways:

- **Be seen, be heard, be listening.** The project champions felt strongly that everyone, both internal and external, needed to be engaged, in person, with the goal to ensure they each felt heard, their needs understood, and the way they worked considered. That meant significant preparation to flex to each group’s situation, whether it was port personnel or third parties in the community.

This was a top priority from the beginning, communicating the idea of change, the goals, and the value to each group. Listening to understand everyone, and finding the best value of what the innovation could do for them, how to make everyone a part of it, benchmarking, and setting expectations. These are all part of building ‘desire’ in the ADKAR model.

Continuing into the project, this became communicating updates, listening to feedback and problem solving when resistance was encountered, one on one when necessary. It was a focus to work through any negative impacts before the go live phase.

Helping Saab prepare! As the solution was crafted, this same regular engagement was used for training and involved Saab for direct time with as many people as possible. HPA used all the organization had learned and advised those presenting or training ahead of time what was important to each group, how to interact, and what to emphasize. Naturally, there is knowledge building necessary, which is the ‘K’ in the ADKAR model. Early exposure to detail was a key target, then repetition, and more repetition, so that knowledge built as the project progressed and there was early confidence and trust by users. This transitions simple ‘knowledge’ into ‘ability’, which is the second ‘A’ in the ADKAR model.

3.5 Stay organized

Keep an issue tracker log both internally and externally with Saab. It seems like a simple idea, but literally keeping track of the ‘to be dealt with’ list, figuring it out and addressing each one built trust both internally and externally. It is also part of the work for the ‘R’ in the ADKAR model, ‘reinforcement’, along with these tactics, quoting directly from Prosci, “Successful reinforcement may require:

- Celebrations
- Rewards and recognition
- Feedback
- Corrective actions
- Visible performance measurement
- Accountability mechanisms”

3.6 Successes and Challenges

‘Reinforcement’ tactics were all used. HPA came to a place of true collaboration both internally and externally during the project. Successes were celebrated along the way, and challenges heard and worked through. Most importantly with respect to challenges was truly hearing them and reviewing in post project discussion how to learn and do better for the next project. The ability to have open conversation about what worked and did not work is part of the accountability chain. Not only does it legitimize the work done, but also lays the foundation for the future with a trust pattern for a next project.

4 Saab Technologies – ‘The Vendor’ view

4.1 Getting started

The Saab team was delighted to work with the dedicated, focused and inspiring Halifax team. From the first moments of the spark of the idea of a system change that would affect the entire port, the CEO Captain Allan Gray literally filled the room with the leaders from every corner of the port. It was in January of 2020, Captain Gray was newly minted as CEO and he inspired a standing room only crowd to engage with the Saab team to explore what could be possible. Little did anyone know that it would be the last time we could be together for nearly two years. Six weeks later the pandemic shuttered everyone in isolation, at the port, and from vendors.

4.2 Finding the energy

The team was energized to make things happen, and they did. Relying on new online tools, new habits to keep the online engagement possible, and much patience, the team spent months probing, asking questions and defining their vision. Throughout this vendor exploration, we felt that the HPA team were growing in classic team building ways specific to the project. One could say the ‘forming/storming/norming/performing’ process was very real. This was all prior to vendor selection, so that by the time of the actual project kickoff, the Halifax group was already well underway with the people change management. They had official and unofficial leaders who were stepping up with energy and dedication to get it right.

During the project itself, these same individuals, from all key operational areas affected, dug in deep, sometimes with long extra hours, and even stepping in to fill a void when personnel left.

4.3 Life happens

Pause on that notion of personnel changes during a project. The Halifax Port Authority is not at all unique in having people come and go, get promoted, retire or have babies during a project. Life happens. An organization wide system change that may have a project duration of a year is bound to be affected with ‘life’. Count on it. Plan for some unexpected.

Back to Halifax. They are a stellar example of best practices our people have tallied from projects around the world, over more than 30 years.

4.4 Top ten things Saab likes to do

1. Emphasize the importance of change management to the customer project team.
2. Share our previous experience with the customer project lead and help them with the change management.
3. Work with the client on a communication strategy, early and often to convey goals and inspire the team to embrace the value.
4. Encourage users to have very early access to the system to get them familiar with a new way of working.
5. Find a few project champions – not just the executive leadership, but unsung heroes who are early adopters, and can lead the way for others.
6. Leave no stone unturned – work with the client to brainstorm how the new system will affect the entire organization, and even more importantly *could* affect every small detail. To maximize the value consider every tiny change possible and create a plan for it.
7. Encourage the customer to define their own custom work guide based on the new system.
8. Build and review the project plan *with* the client.
9. Plan ahead with a long view, and then adjust key dates if necessary to be realistic ahead of time.

10. Encourage temporary / contract help on the client side if they anticipate peak time issues (for the parallel data entry section for example).

4.5 Things we would do different

It may be possible to chuckle about it now, not knowing whether to call the situation of implementing such a large project during a worldwide pandemic a curse or a blessing. It was unfortunate to not visit the client in person during the project. We believe that early time spent together can build resilient foundational relationships priceless throughout the ups and downs of any project. Having said that, we learned alongside the HPA team and out of necessity figured it out. The extra attention to do all work online taught us skills that may shape future endeavors.

5 Considering the science of change management

Kamales Lardi (CEO of Lardi & Partner Consulting and a global award-winning expert in digital business transformation) said in an article for Forbes:

“Without a doubt, the most challenging part of digital business transformation is the human side of change. Although transformation does involve technology implementation, along with training and development to enable people to effectively use the technology solutions, successful transformation involves much more. At the core of transformation is the attitude toward technology solutions. This not only means understanding the need for change and adoption but also defending and promoting its daily use. This, however, is a little harder to achieve and requires consistent effort.” Forbes, April 2021^[3].

A growing body of data shows the impact effective change management has on the probability of a project meeting objectives. The Prosci organization published research on both the correlation of effective change management to project success as well to financial success.

6X better with strong change management

From Prosci 2020 “Best Practices in Change Management”: Benchmarking studies revealed that 93% of participants with excellent change management met or exceeded objectives, while only 15% of those with poor change management met or exceeded objectives.

Figure 1 illustrates and confirms that a project's likelihood to succeed is 6X greater with effective change management.

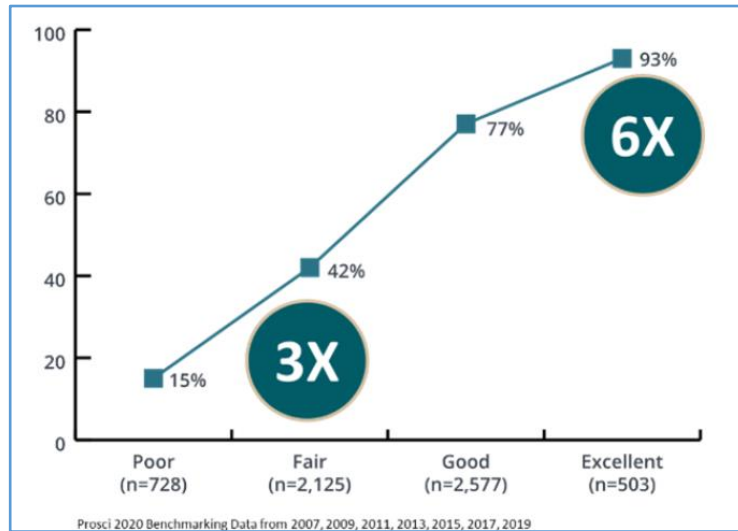


Figure 1. Correlation of change management effectiveness with meeting objectives

Financial success is directly correlated to strong change management.

Financial success of an endeavor has been proven to be directly correlated to effective change management, as shown in Figure 2. Rationalizing and justifying attention and budget to change management is a straightforward financial return on investment proof.

<https://www.prosci.com/resources/articles/what-is-change-management-and-how-does-it-work>

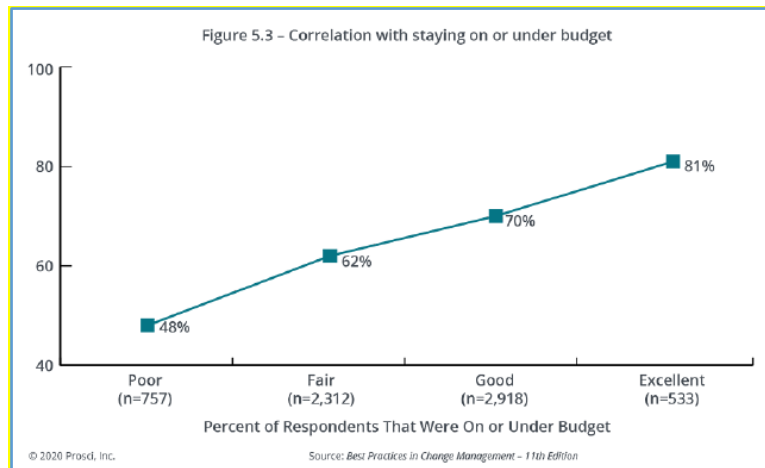


Figure 2. Correlation of change management effectiveness with staying on or under budget

6 ABC's of considering the people side of digital transformation

The most important themes to ensure success with change management:

6.1 Vision

Vision can start anywhere, with anyone, at any level. Most critically, this must have energy to carry that vision, stoke curiosity, gain both executive endorsement and gain trust from the masses.

6.2 Let people create change



Humans are creative and resilient. If given the environment to 'do better' they will. Owning one's destiny and creating change for oneself, contributing to a better future for oneself, and therefore for the organization by default, is empowering. Let your people feel the power. Let them be energized to see the vision of what may be possible. Get them engaged early and they will become change agents.

6.3 Communication

It is hard to imagine too much communication in a transformational organization wide project. Open, consistent, repetitive updates are critical. People are busy with their day jobs. Staying up to speed on the project when they have a full time 'regular' job already is nearly impossible. Make sure they have every opportunity to stay connected, feel informed and feel less stress because they can manage the information in bite size amounts.

6.4 Choose your technology well

Every port will have a unique set of current systems, goals, budgets and circumstances driving the need for change. It does not have to be done all at once. At Saab, we recommend 'starting small and growing grand'. This means picking what is most important, doing it right, laying the foundation for more change, and connecting more technology as time and budget allow. Have a listen to our webinar for more on this topic [7].

1. data availability
2. workflow optimization
3. integrated communication
4. common operating picture
5. collaborative decision making
6. operational optimization
7. port community system

7 Summary

The Halifax Port Authority and the Saab Technologies teams have worked together and consider the project a success. Over two years of discussion and project time, we have become friends and partners. We all share a vision and hope to check back in many years and be able to update that the seeds of change planted are thriving. Connect with any of us; our links are in the reference section of this paper. We would be happy to help you on your journey!

8 References

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- [3] <https://www.forbes.com/sites/carolkinseygoman/2016/08/12/10-change-management-strategies-that-are-backed-by-science/?sh=7e34e3682bd6>
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- [5] <https://www.prosci.com/resources/articles/what-is-change-management-and-how-does-it-work#:~:text=Change%20management%20is%20the%20application,day%2Dto%2Dday%20work.>
- [6] <https://www.prosci.com/methodology/adkar>
- [7] Saab webinar 'System of systems approach to technology change':
<https://www.youtube.com/watch?v=h9x5buvkhLA&t=373s>

Halifax Port Authority, interviews with:

- o Jessica Norman, Manager of Marine Policy and Operations <https://www.linkedin.com/in/jessica-norman-m-m-m-61a29b7a/>
- o Derrick Whalen, Director IT <https://www.linkedin.com/in/derrickwhalen/>
- o Capt. Allan Gray, CEO <https://www.linkedin.com/in/allan-gray-47843330/>
- o Capt. Adam Parsons, Director Marine Operations and Harbour Master <https://www.linkedin.com/in/adam-parsons-11a05817/>

Saab Technologies Ltd, interviews with:

- o Tim Shypilov, Developer and Project Manager <https://www.linkedin.com/in/tim-shypilov-13a9b6a/>
- o Pavel Skournik, Managing Director <https://www.linkedin.com/in/pavelskournik/>
- o Judyth Almasi, Director Business Development <https://www.linkedin.com/in/judyth-almasi/>
- o Richard Jonker, Product Manager <https://www.linkedin.com/in/richard-jonker-68226a57/>