

## **On Change Management**

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One of my favorite subjects is change management. There is just something about it that can be considered both a powerful tool and a terrific weapon against competition. In either case, it must be remembered that both weapons and tools can be turned on the wielder, should either be misapplied.

Change invokes fear in many people, even when it is to their benefit or does not affect them at all. Unfortunately, many see the fact that there is fear, protectionism, or negative reaction as a positive response that change is occurring. This is a bad indicator for progress or positive change.

The use of change as a tool requires the architect of that change to have specific goals or series of goals in mind with each change being an effective step towards those goals. The application of change without goals or proper planning is simply chaos that cannot be managed in a process type environment. The result can be a reduction in quality, timeliness, and lost opportunities such as missing issues within a system. Solid processes in production or service in industry, manufacturing and personal environments allow for specific measurements, such as key performance indicators, and a methodology to identify areas for improvement. Once thought of as a way to 'keep people on their toes,' chaotic environments do not allow for proper measurement systems and generate environments of high stress.

So, how do you identify and manage change in a positive manner?

Often the 'change agent,' or manager/consultant brought in to make the change finds a potentially overwhelming situation. There may be a lack of documented processes, the documentation does not meet the processes, or the whole system may be in complete chaos. There are choices that must be made: where to start? How much to take on? Sudden and abrupt change? Or, slow and steady?

Based upon the agent's experience, there may be some quick changes that can be made to improve the situation and make it manageable. The next step is to gather information and records as well as observing the processes and business environment. While doing this, the agent must also determine the goals of the organization, not just by what is written, but by the actions of the leadership – actions speak louder than words, written or spoken.

Once that direction is determined and the agent has the 'lay of the land,' then the real work begins. First, determine what goals are going to be set in near, mid and long-term (immediate, months and years). Next, what measures can be used to determine if the goals are being met and the associated gap? Before getting down to the real changes, gage the acceptance of the company to change by implementing a relatively minor change in policy or process that impacts a large segment of the organization. This assists in determining: 1) where resistance will come from in the larger picture; 2) who will be of value during the change process; 3) will leadership support the programs? All of which will help determine the time-line and if a change management program is feasible in the company.

Do not take on everything at once! Select a specific program or project and maintain a steady pressure on it until it begins to operate on its own. Basically, prepare the next project once the first one is self-sustaining. Otherwise, the implemented changes will slip backwards.

Beware the idea of coming in, as a change agent, and laying about with unplanned or reductionist

changes to the system, as is a common practice when trying to show immediate progress. You must also communicate the changes, support the personnel implementing the changes, help some workers through the challenges of dealing with change, and deal fairly, but aggressively, with those who deliberately attempt to prevent the change, especially those who undermine the effort in order to support hidden agenda that are contrary to the goals of the company.

Personally, I have never understood the motivation for that last statement, but have seen it often enough to be concerned. Why would personnel (leadership or otherwise) want to harm the company or organization that supports them? But it happens, and those persons should be eliminated from an organization quickly! They tend to be an insidious poison that eats away profits and effort through personal politics or undermining efforts through rumors and counter-productive activities.

When we go back and review those programs that have been successful within industry, and those companies that are highly profitable and in demand, a common thread exists: they each have solid, but flexible, processes that support their programs. For instance, you may have heard of the 'Toyota Way,' and the time when Japan was dominating over USA quality and cost. Those successful programs were not implemented in an environment of chaos. They were implemented during times of tightly controlled and measured processes and attention to detail. The same goes for companies like Nucor Steel and others who not only took charge of their processes but also identified the importance of the most flexible systems: people.

In this there is a fine line. You need to support the people who implement and move within the processes and changes that need to be made. At the same time, you need to tightly control the processes, set goals and policies, and determine the measurements those personnel must work within. Lean too far with flexibility without constraints in one direction and you have chaos. Too far the other direction, you have autocracy with the organization paralyzed during times when decisions must be made.

What are the rewards? A company that has clear processes and flexibility, or culture of change, can adjust to virtually any business climate. They can also prevent the competition from latching on to any specific issue, providing a solid defense in the marketplace, while showing a tremendous offense by being able to respond to customers easily while the customer knows exactly what to expect. With solid measurements and consistent processes, quality and time issues can be quickly identified and addressed.

Seeing as business is civilized warfare (ok, sometimes civilized) the concept can be re-enforced by looking at such conditions. If you have a force of structured, disciplined, process driven, fighters, such as the Romans at the height of the Roman Empire, against an angry mob, who is going to win? The group that knows exactly what to expect of themselves? Or, the chaotic mess?

Know yourself and win 50% of engagements, know your enemy and win 50%, know yourself and your enemy and win virtually every battle.

As process and change begin to occur towards the goals that you have set for your organization, it is important to keep a constant level of energy aimed at the systems put in place. If a system is changed and then abandoned, as with all systems of order, they will tend back towards chaos. Basically, any orderly system is subject to entropy. To properly maintain your system, buy-in is important across all levels within the organization.

So, as we come upon a new age of prosperity, which are you? Does your organization act as an angry mob? Or are you organized, disciplined, and flexible?

The future is here. Are you ready?