



Managing the Implementation of Change Initiatives

ABB Value Paper Series



Managing the Implementation of Change Initiatives

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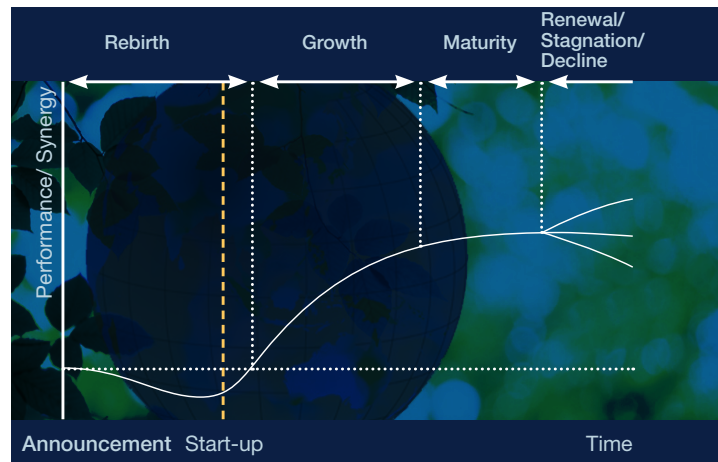
Many examples of change are present in industry these days, from changing the way we monitor condition of our equipment, to changing the way we manage and interact with our people to changing the way we approach health and safety. Determining what needs change is relatively easy – implementing that change, however, is the difficult part.

To be able to implement change, you need to manage it, and this management is not as simple as sending the people on the training and showing them the equipment that needs improvement. This management is required because a series of complex interactions occur when we try and change something that is happening at our work places.

The life cycle of change initiatives can be described as in Figure 1. The four stages which need to be understood are:

1. **Rebirth** – where a change to the way we do things needs to occur and the inertia to change needs to be overcome. Performance may actually drop due to misunderstanding, mistrust or even just the time it takes to get organized and train the personnel.
2. Stage 2 is the **Growth** when people start following the new processes and increasingly come on board when they see that the changes implemented are effective or showing results.
3. **Maturity** then occurs when the issues being addressed are no longer the major issues on site. Benefit gained from the new processes will appear to slow down – this is an indicator that the site is ready for a new set of tasks. Be careful though – it may also mean there is a problem with the process or its usage.
4. The final stage offers three different scenarios: (1) the plan for the site can be refocused to different topics and a Renewal of improvement can be stimulated;

Figure 1: Life cycle of change initiatives



(2) additional effort can be placed on the existing tasks, although it won't really make a lot of difference (Stagnation), or (3) effort can be withdrawn as it appears all the benefits have been achieved, and the achieved results will deteriorate (Decline).

It is important to recognize these stages, as they provide a lot of valuable information that can be leveraged to maximize results at the site.

Rebirth

Rebirth is the introduction of a new way to do things. Not managing the introduction correctly can not only result in extended implementation time but can seriously affect the total benefits from the initiative targeted.

Issues contributing to this lag in implementation (and possible initial deterioration) may include:

Psychological

- Job insecurity de-motivates people (improvement thought to result in reducing headcount)
- Mistrust due to previous failed attempts
- Personnel benefit is unclear

- Unwilling to admit there is a better way than what has been done until now
- Unwilling to risk status they have achieved
- No or low perceived incentives to execute, e.g. do not enjoy new method, lack of recognition or standard recognition regardless of quality

Work

- Workload increases with new tasks but headcount stays the same (or decreases with a new contract)
- Incorrect or inexperienced personnel allocated to initiative
- Learning curve for new method requires time
- Priority of task missing or wrong. Initiative either planned too early, or lower impact tasks allowed to take preference

Major tasks that need to be incorporated to address these issues include:

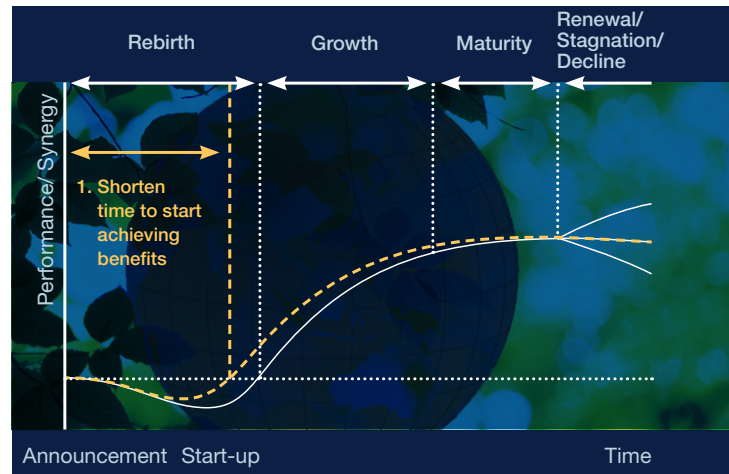
Communication – awareness of new process, business case for it, how it aligns with other current initiatives and how this will affect the individual personnel.

Training – lower level for support people, detail for the facilitators and high level for the managers.

Organizational support - access to information and procedures, as well as the time and resources to complete. Managers need to be seen to support the initiative or the workers will see the priority as low. Existing tasks should be evaluated and low impact tasks removed or postponed to make time for the new initiative.

The major objective for targeting this stage is to minimize the rebirth disruption and duration and start getting the benefit from the initiative. (Fig 2)

Figure 2: Benefit of identifying and addressing rebirth issues



Growth

Growth refers to the period where the site obtains the benefits the initiative is designed to return (fig 3). By addressing Rebirth, the growth stage can occur earlier, but it is now important to maximise the rate of growth so the site can achieve the results faster.

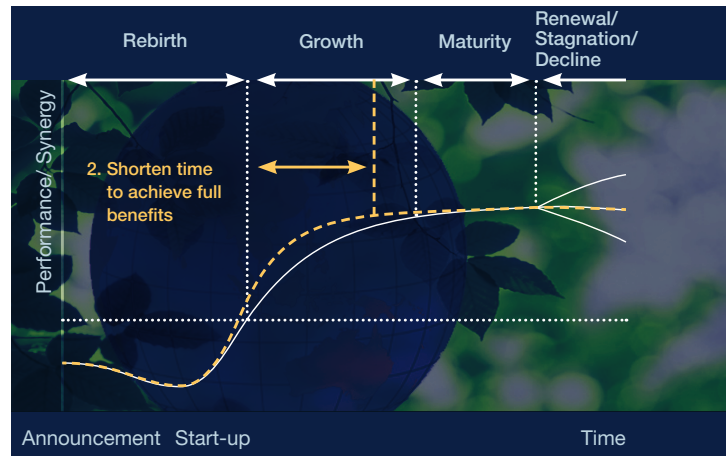
Issues contributing to a delay in gaining the full benefits are similar to the reasons behind the rebirth lag:

- Personnel benefit is unclear
- No / low perceived incentives to execute, e.g. do not enjoy new method, lack of recognition or standard recognition regardless of quality
- Incorrect personnel allocated to initiative
- Priority of task missing or wrong. Initiative either planned too early, or lower impact tasks allowed to take preference
- Progress not followed / rewarded so emphasis and interest drops.
- Personnel are continually given new tasks from management, so time is increasingly harder to make.

Major tasks which need to be included to address this include:

- **Communication** – encourage ongoing progress reporting. Advertisement of the results as they happen. Rewarding / recognizing employees for progress.
- **Organizational support** – Management is involved with the ‘Governance’ of the project, and ongoing process support is available for the people executing the task, so they can identify early if they are doing something wrong. Time and resources are protected by the management, so the project can continue to plan. Set aims that are easy to achieve – in bite-size chunks.

Figure 3: Benefit of identifying and addressing growth problems



Maturity

Maturity refers to the time when the majority of the results are achieved from the particular initiative (fig 4). Caution must be exercised as if the project is stopped completely, a performance drop or decline can be expected. By recognizing maturity, the site plan can be adjusted for the next phase of work.

Problems will occur here as well if the site is not tracking results for the initiatives. In this case, the employees will continue working, not knowing that they are no longer contributing significantly.

Issues contributing to the mis-identification of the maturity period relate to not measuring progress at all or progress is measured incorrectly. There will be, for example, a number of initiatives across the site to target improved plant performance. If this is the only measure and OEE is improving, it will be hard to identify which initiatives are still in the growth period and which have reached maturity.

Major tasks which need to be addressed include:

Organizational support – Review of KPIs to ensure they are appropriate, accurate and have no unintended consequences.

Communication – Monitor and discuss KPIs regularly

Renewal / Stagnation / Decline

Monitoring performance is important to identify the maturity period. What happens at this point is critical. If nothing changes, results will stagnate and frustration will build up due to lack of progress. If the site believes the project is complete and stops it completely, the issues causing the problems in the first place will slowly be re-introduced to the site and the results will decline – the benefit will be lost and the project will have to be re-initiated at a later date.

The maturity time should trigger two actions:

1. The completion of the initiative as a full project, but the identification of ongoing tasks required to maintain current benefits.
2. The re-evaluation of losses at the site and the identification of the next level tasks required to address.

This evaluation will not only free up people’s time by stopping work that no longer provides a high return, but a new set of initiatives can be introduced to show that a long-term, systematic plan is in place.

Analysis of reasons why plans to change a particular process or task fail show that poor communication, lack of planning, poor quality control and lack of management support accounts for over 60% of failures. These can be addressed through the actions above.

Figure 4: Benefit of identifying and addressing maturity issues

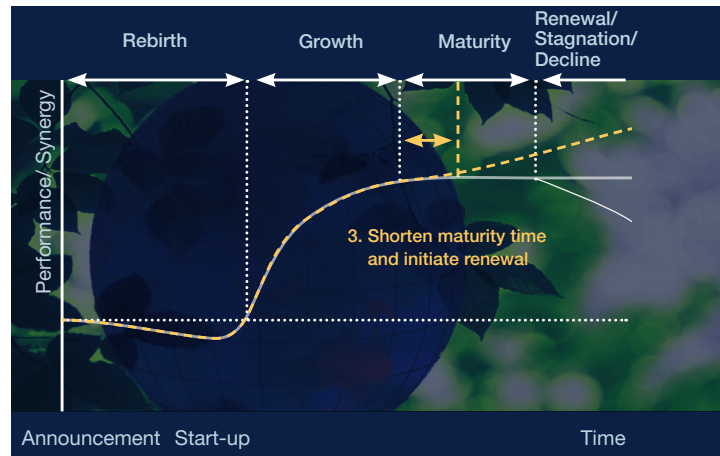


ABB has over 100 000 employees working in over 100 countries and has extensive experience in maintenance benchmarking, loss identification and the development of implementation plans that achieve objectives.

