To be excellent in business, you need a vision with a clearly defined purpose. By successfully managing the cultural changes and continuous improvement, you transition your organization's vision into reality. The Relativity of Continuous Improvement allows you to learn how to change and sustain the behavior of the individual and, collectively, the team as the foundation of ongoing improvement and striving to be the best.

➤ Chapter 1
Continuous Improvement and Change Management begins with an overview on the current state of continuous improvement and focuses on the importance of workforce culture and process.

➤ Chapter 2
Change Implementation Concepts and Models reviews select basic historical models used for implementations of change.

➤ Chapter 3
Using Lean Tools and Other Techniques for Continuous Improvement is an overview of multiple methods utilized to make improvements.

➤ Chapter 4
Enablers for Successful Change and Sustainable Continuous Improvement focuses on the success factors for implementing change and discusses the need for understanding the value and roles of individuals, teams, leaders, and followers.

➤ Chapter 5
Model for Sustainable Change elaborates on what happens when employees are and are not engaged.

➤ Chapter 6
Sustaining Change hones in on changing the thinking process to enable, deploy and support ongoing change.

➤ Chapter 7
It's Up to You is all about doing something to get the change process started and making a positive difference.

It's about steady continuous improvement – lots of little changes and some big ones.
To be excellent in business, you need a vision with a clearly defined purpose. By successfully managing the cultural changes and continuous improvement, you transition your organization’s vision into reality.

The Relativity of Continuous Change allows you to learn how to change and sustain the behavior of the individual and, collectively, the team as the foundation of ongoing improvement and striving to be the best.

Chapter 1, Continuous Improvement and Change Management begins with an overview on the current state of continuous improvement and focuses on the importance of workforce culture and process.

To order this book, go to The MRO-Zone Bookstore website:

http://mro-zone.com
1.1 The Current State of Continuous Improvement –
A Personal Viewpoint

The future success of any company is more than just chasing global competition. It’s about learning how to apply what’s being learned. This is equally true for manufacturing, chemical, pharmaceutical, oil and gas, utilities, military, medical, and most other company offices and factories. Business practices and processes all can be improved, and many are in need of significant improvement. Although appearing simple, many existing methods used to improve performance have a high degree of complexity attached to them, such as social norms, work that is not standardized, unclear roles and responsibilities, perceptions of a level of fairness and more. So without a comprehensive systems-thinking approach, even very comprehensive change efforts often provide only marginal benefits.

The challenge is organizational, technical and social, and must be understood and addressed from all aspects together. Even if your initial change effort is successful, sustaining it is even more questionable. Why do so many systems and processes fail? The answer encompasses such things as large and small changes, safety, quality, reliability, productivity, cost, long-term implementations and kaizen events. The following examples are of failed change efforts and failed systems of varying magnitude and consequences. Yet, they all could have been avoided or greatly improved upon if a robust, continuous improvement process (CIP) and a sustainment plan had been in place.

As you read through each item, think about whether it was an issue regarding machinery and equipment, operational process, product, people’s behavior, or any combination of them. The failures from these items have a wide range of consequences, yet they share similar underlying weaknesses.

“It is not necessary to change. Survival is not mandatory.”
— W. Edwards Deming

“I walk slowly, but I never walk backward.”
— Abraham Lincoln
• Many companies cut cost as a strategy. Yet, research found that only ten percent of cost reduction programs show sustained results three years later.¹
• I stopped at a truck stop to gas up and get coffee. Numerous packets of sugar were barely filled or empty. I did a check of twenty and half were unopened and empty. The sugar company obviously had a problem with production reliability.
• Studies of IT projects in the U.S. have shown that, in any given year, roughly twenty-five percent are done on time, on budget and met stakeholders’ specifications. Roughly twenty-five percent have to be abandoned before completion and an estimated fifty percent of these projects are expected late or over budget. In other words, the success rate is twenty-five percent.²
• The North American electrical grid is experiencing many more incidents of outages and quality problems not caused by weather events. An energy plan that fails to address energy reliability is incomplete and under-resourced.³
• I’m making a non-refundable hotel reservation online and everything works until the final step. A message states that it could not complete the reservation process and to try again or call the nearest agent. I repeated the process thirty minutes later and it worked this time, providing a confirmation number. Being suspicious of these events, I called the hotel to check if I now had two reservations. It turns out the system did, indeed, book two reservations.
• “It’s not easy for manufacturers to ensure their medical devices are reliable. For example, upon examination, seemingly identical lead wires in a random sample were found to have up to ten times variation in durability.”⁴
• “Farmers in Hebei province (China) say in interviews that ‘protein powder’ of often uncertain origin has been employed for years as a cheap way to help the milk of undernourished cows fool dairy companies’ quality checks. When the big companies caught on, some additive makers switched to toxic melamine – which mimics protein in lab tests and can cause severe kidney damage – to evade detection.”⁵
• I drive into a gas station that has a big advertising sign reading, “Full Service Gas Station.” When going to the restroom, there is a sign on the door that reads, “Sorry, out of paper towels.” Interesting to note is that the convenience store in the gas station sold paper towels.
• Two months after the daylight savings time change, a major airport hotel still had the incorrect time posted on its lobby information screen and TV bulletin displaying hotel events. This was next to where they posted flight times.
• An aircraft started dropping seven thousand feet while the captain was away on a toilet break. It was caused by a copilot accidentally pushing a button while performing a seat adjustment. None of the one hundred and thirteen passengers on the flight were injured.⁶
• Periodically, I receive cell phone messages several days after being sent.
• “The Deepwater Horizon had a series of blackouts, seized up computers and other maintenance problems in the months before the drilling rig exploded in the Gulf of Mexico, the rig’s chief engineer told investigators.”⁷
Continuous Improvement and Change Management

- I approached the entrance to a Florida turnpike and put in a quarter, but the light did not turn green. I repeated the process with no success, so I drove on. I called the Florida Department of Transportation to explain what happened, but they were insistent that their system does not make mistakes. I sent them a check for twenty-five cents.
- In regards to human reliability and safe driving, “Nearly nine in ten teenage drivers engage in distracted driving behaviors, such as texting or talking on a cell phone.”
- I had an old wet/dry vacuum that I used for general cleanup. It worked well, except it was “on” when plugged in because the on-off switch was broken for as long as I can remember. After ten years, I bought a new one, the same brand. I returned it the next day. The on-off switch did not work.
- One brand of water softener salt is a few cents cheaper. It just has cut out handles to carry the forty pound bags. Three out of four handles ripped through, while moving them from the car to the back of the house. The better brand, with reinforced handles, is a few pennies more, but proved to be better very quickly.
- When checking out of my hotel, I pointed out that the bill was two cents higher on the printout than what my credit card was charged (my room was prepaid). I asked if this would cause an issue. They said no. It was probably automated, but the hotel charged two cents to my American Express card later. One has to wonder, at what expense?
- “Two hundred and forty thousand water main breaks per year occur in the U.S.” The infrastructure is old and not reliable.9
- I purchased a new desk stapler, with the packaging claiming it comes with four hundred staples. There were twelve included.
- It was time to renew my cell phone contract. With a new phone, I needed a new carrying case for my belt. The salesperson recommended a hard plastic one that rotates on the belt clip and said it’s “very durable.” I put my new cell phone in it, clipped it on my belt and went to my car. Upon getting in the first time, the belt clip cracked and broke off. I went back to the store and asked if they had something better than “very durable.”
- The current system allows bad nurses to skip to other states and continue working. Multistate licenses don’t always update issues across state lines and let nurses avoid consequences of misconduct. A twenty-four state compact was created to help get good nurses to where they are needed. “When a compact state is slow to act or fails to share information, nurses suspected of negligence or misconduct remain free to work across nearly half the country.”
- When I renewed my passport, the government’s passport website clearly states not to attach the second photo to the application, but to insert it inside the envelope with the application. When I went to the post office’s passport center to mail it, I was informed that they don’t want the second picture anymore.
- A crosswalk near a Manhattan school misspelled school as ‘shcool.’ This was a crossing sign, with large letters printed on the sign on the street outside a preparatory school, yet no one noticed it. A utility crew dug up the road leading to the issue.
- An IBM study showed that about sixty percent of business change projects do not fully attain their objectives.
Chapter 1

The risks and consequences of all these situations vary greatly, but the underlying reasons are similar.

**These projects, programs, products and initiatives failed because of such things as:**

- Insufficient understanding of the degree of impact on the people affected.
- Lack of employee engagement.
- Poor change management strategies and tools.
- Lack of standardized work.
- Resistance from norms and existing values.
- Change management is viewed as a project or something done while implementing a project, rather than an ongoing process.
- Supervisors and employees in supporting departments are not prepared enough to deal with the people issues that arise during a change implementation.
- Lack of a follow-up or sustainment plan.

After reading all the things that can and are going wrong, you may start to not trust any system. Now, combine that with issues of corporate governance, global recession and tomorrow’s unknowns. Yet, you are still responsible for leading ongoing continuous improvement and, at times, complex and large change efforts. I fully agree with Ralph Shrader, chairman of the board of Booz Allen Hamilton, Inc., when he discussed taking risks.

“We need to take them more than ever. But we must make a better job of deciding which risks to take, managing the consequences of those decisions and becoming resilient to the risks that we cannot control.”

In this age of computing, there is often an abundance of data. Yet, many companies are data rich and information poor. I am referring to available information and data at all levels of the organization. Good data-driven decisions at the top will steer you in the correct direction. However, good data for problem-solving at the operator level will help you attain or sustain business excellence.

If you want to attain a desired state, such as business excellence, you must operate as if you are already there – the future context. At the Lansing Grand River Assembly Plant, there were several core values, such as teamwork, standardization and continuous improvement. At every staff meeting, which was conducted with the union, a core value was displayed and read. Then, a few stories were shared on how the specific core value was positively demonstrated. Next, examples of how the core value could have been better supported were also shared using specific examples. The process was repeated with the next core value at the following meeting, until they were all discussed. This was an ongoing process, continually repeating the list. By openly discussing good examples and examples needing improvement, fellow team members were learning how to ask the right questions on the plant floor. Changing the thinking process improves all areas of operation.
1.2. Observations and Lessons Learned

Get the culture right first and implementing a robust continuous improvement process will be more beneficial. When implementing large-scale lean processes, there is a sequence of many items that need to be implemented for each sub-system (e.g., quality, continuous improvement, production, etc.). Each of these systems has numerous items attached to it that need to be established. For example, the continuous improvement system is made up of items, such as standardized work, 5S, error proofing, kaizen events and attitudes/behavior. From my discussions with lean subject matter experts and my observations of over twenty implementations around the world, attitude demonstrated by leadership and workforce culture were repeatedly brought to the forefront in the sequence of implementation of the numerous lean elements. Items related to culture need to be implemented first for best results.

Understanding how to engage in meaningful, results-oriented improvement is critical to the ongoing success of every business. From numerous implementations requiring significant change, I have found that:

1. When you focus on changing the thinking process of the people, the organizational change will follow.
2. The rate at which we change behavior will determine the rate of business process success.
3. The level of capability and willingness of your employees to perform problem-solving/continuous improvement will determine the flexibility and robustness in achieving and sustaining competitive practices.
4. The current and desired states are usually well-defined in business plans. What’s typically missing is a detailed transition plan, which enables the desired state.
5. Existing methods of optimizing performance have reached a state of diminishing returns. Many improvement efforts overlap areas and compete for the same resources.
6. For most issues, long-term strategic thinking leads to better decisions.
7. Many organizations need a better process to capture global learning and redistribute knowledge.
8. Companies, when implementing best practices, have local variations that need to be better understood. For example, in a given team, how is conflict resolved? What is the absentee coverage policy? Are team leaders elected by the team or appointed? A few variations can be the difference between success and failure in performance outcome differences.
9. Implementation usually slows down or fails at the putting it into practice stage. This happens even after many weeks of training and involvement in developing standardized work. This indicates that the required behavioral change has not occurred.
10. Kaizen events are good, but make sure they don’t overshadow the desired long-term team culture. For example, team members involved in the kaizen previously waited many months or longer to get their suggestions heard and hopefully implemented. What message is that sending to your plant floor team? Why are they getting support now?
11. A focus on safety and ergonomics is a key enabler toward positive attitudes. The workforce must know that you care.
12. The role of leadership is critical in promoting and rewarding the sharing of data and facts to enhance continuous improvement behavior.
13. Leadership, both hourly and salary, must be prepared to answer the numerous questions they will get from the workforce. They need to be able to ask the right questions to foster learning and answer tough people issues with sufficient understanding. Otherwise, you can lose control of the process if support capabilities don't match stated expectations. Most of the tough questions will be people related.
14. Implementing change, such as lean systems, will not make people do things differently. It only works if people want it to.
15. Roles and responsibilities for everyone need to be clear, including the boundaries for change/continuous improvement.
16. You must create a logical, desired and understandable need for change.
17. Following standardized work is a fundamental step in continuous improvement.
18. If your workforce is not disciplined enough to do 5S/6S, don't even think about implementing a lean process.
19. It is necessary to take the time needed to change the behavior of your people. Don't put a time limit on it.
20. The establishment of a problem resolution process for teams to use is necessary. It needs to be able to handle a high volume of problems and provide a way to address questions/issues that the teams can't answer/resolve.
21. The closer your problem-solving process is to the persons actually doing the work, the more robust and meaningful the improvement will be.
22. You must provide the needed information for decision-making to team members. Make sure the information is useful. Don't be data rich and information poor.
23. Better integration at the boundaries of groups and departments is where many of the big potential gains are.
24. The continuous improvement process should be monitored and done as much as possible with a total systems viewpoint to balance the interaction between materials, machines, people and task time, and their impact on safety/ergonomics, quality, throughput and cost.
25. You can only talk about changing behavior for so long until it's time to do something. Only implementation of a change on a real issue will show your current tolerance/ability to change behavior.

Albert Einstein stated that “doing the same thing over and over again and expecting different results” is the definition of insanity. How many things do you repeat every day at work hoping for a better outcome?

After reading the rest of this book, you should have a better and more in-depth understanding about each of these statements. Establishing a healthy and robust continuous improvement process requires putting several fundamental elements in place. Getting the techniques and technologies in place, like standardized work and 5S, allow
you to compete (see Figure 1.1). Getting the enabling success factors in place, like proper levels of complexity and demonstrating respect for employees, define your limits of competitiveness. Finally, instilling employee enthusiasm allows you to win.

The elements in Figure 1.1 are only a partial list of tools, techniques and enablers. Moving to the right in Figure 1.1 increases your level of continuous improvement, which supports more business success evidenced by improved safety, quality, throughput and cost, all driven by positive employee attitudes.

### 1.3 Employee Involvement and Enthusiasm

At the heart of any organization are knowledgeable and capable employees wanting to make a difference. It reminds me of a sign I saw in a production facility that read: “Ya Gotta Wanna.” That says it all. Stephen Covey defines a habit as the intersection of knowledge (understanding what to do and why to do it), skill (knowing how to do it) and desire (wanting to do it). Furthermore, I support replacing the word empowerment with “allowment,” as proposed in the book, *Thoughtware*, because it recognizes that employees must first be entitled before they reach allowment. It’s about employees reaching a level of understanding by taking on the information, skills and authority needed for ongoing improvement and being accountable for results. “The worst thing you can do is empower the organization that is not entitled to be empowered.”

According to the definition from the Baldrige Criteria for Performance Excellence, workforce engagement:

---

**Figure 1.1:** Maturity levels of continuous improvement process (CIP)
“…refers to the extent of workforce commitment, both emotional and intellectual, to accomplishing the work, mission, and vision of the organization. Organizations with high levels of workforce engagement are often characterized by high-performing work environments in which people are motivated to do their utmost for the benefit of their customers and for the success of the organization.

“In general, members of the workforce feel engaged when they find personal meaning and motivation in their work and when they receive positive interpersonal and workplace support. An engaged workforce benefits from trusting relationships, a safe and cooperative environment, good communication and information flow, empowerment, and performance accountability.”

A few years ago, I attended a workshop by the Disney Institute on Disney’s approach to business excellence. It was stated that areas with the strongest ratings in cast member satisfaction also had the highest customer results and the highest leadership ratings. It’s all related and starts with supportive leadership that walks the talk.

It is not surprising then, that institutionalizing a change process is, at best, extremely difficult. This simplistic, yet often difficult to implement, concept and the improvement power behind it is finally being more fully acknowledged. The behavior of the individual in performing the continuous improvement process is at the center of the term kaizen (Japanese word referring to the constant, incremental improvement of processes and work practices by reducing waste and increasing value). Kaizen will be discussed further in Chapter 3.

Workers generally do not resist change. They resist how it impacts their lives (at work or home) or the perception of what they think might happen (e.g., implementing lean and losing their job). Change seldom looks the same to the initiating person and the recipient. It requires trust and respect for the individual. We’ve all heard the expression that we should treat others the way we would like to be treated. It sounds simple enough. Yet, have you had experiences similar to the following?

You’re at a leadership presentation where it was enthusiastically stated that “people are your most important asset.” However, within a week, you start hearing things about the same leader, such as he wanted to use a specific conference room and rudely told the people in it to be out in five minutes.

An executive overseeing a group of plants told the IT manager that he wanted his group of plants to get the new software installed first. Furthermore, he told the IT manager that the discussion never happened.

The executive presentation may be a motivating vision, but the discussion around the coffee machine will define your reality or culture. The same holds true for small teams or one-on-one interactions. Early in my career, I was asked to meet with a seasoned union leader who was upset about an issue. Meeting for the first time, he looked at me and said,
“All that I’ve heard about you, I thought you would be older.” He probably thought I didn’t have enough experience to handle the situation, or was it an indirect compliment? I walked up to him and replied, “Everything I’ve heard about you, I thought you would be uglier.” He stared at me for awhile and then stated, “I think we will do just fine together.” The lesson here is: Give respect, but also expect to have it given back to you.

New thinking is needed. As Albert Einstein said, “The thinking process used to get us into a situation cannot be the same process we use to get out of that situation.” When looking at what separates the leading productive plants from the others, it’s the people working in them that’s making the difference. Mainly, it’s the level of involvement and enthusiasm toward adding value to the product and process. That’s not new information, yet many still struggle on how to capture that genuine enthusiasm that defines the best operating businesses and facilities of all types. I’ve witnessed it in hospitals, steel manufacturing, aerospace, engineering management, plant floor employees, etc. For example, when I observed and analyzed various world-class operations, I noticed they all still had daily problems to resolve. The difference was that the people knew what had to be done, were willing to do what was required and had support structures in place to help enable the corrections in process to keep things in order. There is a heightened level of discipline and enthusiasm that makes the difference. The enthusiasm gives you the desire to do what it takes. However, discipline to do the right thing by following a standardized process results in a stable process. When everyone does this, it allows you to get the job done on good and bad days. In addition, the system variability is minimized, and production and operational uptime/throughput are maximized.

![Figure 1.2: Impact of employee participation on productivity](image-url)
Enthusiasm can come from a number of things, such as sense of mission, team competition, personal satisfaction, shared benefits and profits, and job interest. Genuine enthusiasm, however, is built on trust. How fair the reward system is, as perceived by the employees, and answers to “what’s in it for me” if I change my behavior, will largely determine the level of enthusiasm. This directly impacts the rate of continuous improvement.

Figure 1.2 shows the results of a study regarding the impact of employee participation on productivity. Companies that counted all the small, incremental plant floor improvements were getting thirty to forty suggestions per employee, per year, with productivity values in the better half of Figure 1.2. Note that much of the improvement benefits came early, with few suggestions implemented per employee. At three suggestions per employee, there is already about a fifty percent increase in productivity. At six suggestions per employee, about two-thirds of the productivity benefit has been achieved. Additional suggestions help, but at a diminished rate of productivity improvement. Facilities with greater employee suggestions implemented per employee had lower production times per unit, (higher throughput). This supports the thinking that employee participation does, indeed, make a quantifiable difference toward improving bottom line results.

Figure 1.3 displays a similar trend by comparing the impact of team influence. The team influence index is based on several plant floor involvement indices: such as level of problem-solving, within team absenteeism coverage and extent of conflict resolution handled by the team. A higher team influence index resulted in better productivity.
To get high improvement, you need both high organizational engagement and high continuous improvement process maturity, as shown in Figure 1.4. Increasing levels of CIP maturity were illustrated in Figure 1.1. Get the workforce engaged (i.e., allowance) and support the continuous improvement process. People who enthusiastically support continuous improvement can usually overcome most daily issues that arise, or at least improve on current work processes and practices.

In an ongoing study started in 2009 and completed in 2013 using data from over two hundred company project results, it was determined that when employees are engaged (i.e., buy-in is attained), “there is a seven times greater likelihood of success.” Based on an earlier study of more than two hundred facilities, Figure 1.5 shows that when operators had greater involvement in such things as using visual aids, preventive maintenance (PM) checks and the minor use of tools if the plant culture allowed it, the maintenance expenditures, as a percent of the original investment in machinery and improvement had improved.

1.4. Continuous Improvement and Standardized Work

On August 28, 2012, three days after American astronaut Neil Armstrong died, I listened to a radio interview that described him as “disciplined and calm in the face of disaster.” An example used was Armstrong cruising just above the moon’s surface and landing with just sixteen seconds of fuel left. Our consequences may not be as severe, but standardized processes and disciplined execution, when it matters, are at the heart of continuous improvement.
Figure 1.5: Positive impact of production operator PM involvement on maintenance expenditure

Figure 1.6: Improve and standardize steps of improvement
The first step in making an improvement is to understand the current process and related standardized work. This defines the baseline from which all improvement begins. Figure 1.6 illustrates incremental steps of improvement. Standardized work refers to having every job done the same way in both sequence and procedure so it’s always performed in the most efficient manner, regardless of who does the job. The recommended improvement should be clarified and understood by those who will be most impacted (Plan). The new idea or improvement is then ready to be tried for a designated period of time (Do). Next, results should be compared to the baseline, which is the current standardized work (Check). If the proposed method is better, then it should be communicated to all those impacted and it becomes the new standardized work (Act). This process, called PDCA, (P-D-C-A) should be ongoing by individuals and teams throughout the company. The standardized process should be regularly checked for consistency. This process also introduces numerous small improvements, always building on the previous standardized work. As it was taught to me: 1.) Make Rule; 2.) Teach Rule; 3.) Follow Rule and include the check to assure process integrity.

One example of standardized work instructions is a standard operating procedure (SOP). It is a list of established procedures to follow when carrying out a given operation, regardless of who performs the task. It is the step-by-step instruction to be routinely performed. Standardized work also enables doing things right as team members change on the plant floor and in the office. In many operations, numerous employees are getting their job done based on what they learned over time, on-the-job training and, too frequently, who they know in the organization (e.g., plant floor friends, supporting departments and working through the informal network that gets things done). Even though there are organizational charts, success is too dependent on position in the organization and the relative positioning of other team members. If you have an engaged workforce following standardized work processes, you still have all the same team members. But now, an action (i.e., best practice standardized work) is only done in a single manner with a known outcome.

Not following standardized work can negatively impact anyone, even the company that created the model for lean manufacturing. “Toyota deviated from its own system by responding too late to customer concerns and focusing too much on growth....Toyota had become far less lean as its inventory turns went from 22 in the 1990s to 10 in 2008.” Without the proper continuous improvement culture, operational excellence cannot be sustained.

People not wanting to follow standardized processes also cause issues to their personal health. “Too many patients, when they are diagnosed with an illness or an injury, do not follow through with their treatment. They don’t take their medications conscientiously and don’t change their habits as recommended.”

By regularly following a standardized routine, you can quickly teach a common process to others. When I first came to the University of Tennessee, I lived on campus, so three nights per week, I ran up one thousand steps around school and then went to Subway. I would order a Number 27. At first, the sandwich artists would look at me and say, “What’s that?” I replied, “It’s my Subway the way I like it.” (It’s a particular sub
with select toppings and some salt, pepper and honey mustard.) Every running day for several weeks, I would order Number 27 and give very specific instructions. It took about three weeks before the sandwich artists knew what a Number 27 was and the assembly instructions were no longer needed. As people changed jobs/shifts, I needed to start over, but it always worked and was a fun experiment.

The United States Postal Service has an online process for temporarily changing your mail delivery address, which I used. However, after checking why no mail was showing up, it was determined that the postal delivery person saw a for sale sign on the front yard and assumed no one was home. He didn’t follow the standardized process of leaving a delivery notification card. Even after deviating from the process, he could have knocked on the door or called the phone number on the change request. So, two weeks of mail went full circle twice, from Tennessee to Michigan!

When a group, department, or company does not have standardized work processes, common traits are typically evident.

• There is no basis or foundation on which to build continuous improvement.
• Variability increases.
• When things go wrong, people are blamed instead of focusing on improving the process.
• It’s more difficult to make decisions based on data.
• What’s important changes from week to week or daily.
• Goals and targets change frequently.
• Goals and targets are mandated without methods to attain them.
• Employees find individual ways that best complement their needs and style to attain the targets, but efficiency and cost usually suffer.
• There is high stress in the organization.
• Many things don’t make sense to the workforce because they don’t make sense.
• Employees do not contribute openly to ongoing continuous improvement.
• There is more arbitrary cost cutting than ongoing improvement.

In general, places of business that do a better job performing the check (C) in PDCA PDCA are more likely to be one of the best.

1.5 Operations in Chaos and Crisis

In good financial times and when business is strong, it’s much easier to do things right. However, it’s when times are tough that the true character of your team, company and leaders come forward. I’ve found that in times of extreme chaos or crisis, most companies start to behave in a similar manner, regardless of the type of company.

• If you don’t have a robust improvement process working in stable times, how can you expect reasonable results in times of crisis?
Continuous Improvement and Change Management

- If you don’t have standardized work, when you test/measure improvement ideas, how do you know what works? This is further compounded as more and more ideas – at this time usually mandated from up high – and quick fixes are expected.
- There is a lack of transparency in improvement idea implementation. Typically, it’s something like, “Give me all your ideas by the end of the week.” Once in a while, you may hear something back, but more often there is no feedback. Then a few days later, a list of ideas gets handed down, with little or no data supporting the ideas and no comments on your previous ideas.

With regards to managing people, it’s always easier to do the right thing when the business is profitable and things are going well. However, the true nature of your organizational values are better revealed when things get tough. Organizations without standardized processes and work will have a more difficult time performing and sustaining continuous improvement. Employees will experience high frustration, inconsistent direction and more people-related issues, and are less likely to enjoy their place of work, even though they may like what they do as a career. It is just a matter of time before even the most optimistic employee is worn down and just shows up. These types of organizations and companies will merely operate at a fraction of their potential toward business excellence, if they continue to operate at all in the long run.

Figure 1.7 shows the positive impact of lean on continuous improvement over time. After five years of lean implementation, more than seventy percent of two hundred companies still only achieve a low or medium positive impact of lean on continuous improvement.

![Figure 1.7: Positive impact of lean on continuous improvement as related to years of implementation](image-url)
improvement. I’ve seen many facilities that are rolling out a lean process, but at best do a mediocre job of implementing 5S. When I visit plants, I usually observe varying levels of 5S implementation, not just between plants, but within the same facility. I may notice someone not following 5S visuals and ask why. The response is usually something like, “Bob doesn’t like to do it exactly that way, but he’s been here a long time, so he’s okay.” Before long, I’ve found numerous other exceptions for one reason or another. I would ask if they are implementing a lean process and, typically, they are. My concern is, if there is not enough discipline in the workforce to follow standardized work at its simplest level (i.e., 5S), how can they expect to be successful in a full lean implementation, which is an order of magnitude more complex and challenging?

A working and sustainable lean process is doable in typically two cultures:

1. Where the workforce is required to follow specific instructions (e.g., military) or is highly regulated (e.g., airlines).
2. Where the workforce is engaged performing standardized work and willing to correct daily issues back to proper standardized work practices and perform continuous improvement.

When a workforce does things out of fear (e.g., losing their job and/or business is failing), success can be sustained only for a limited time. This, however, is neither desirable nor sustainable.

The team discipline practiced to perform and sustain 5S or 6S implementation is a good leading indicator of eventual success in implementing lean practices. Analyzing the data from the same two hundred plants in Figure 1.6, but aligning them by years of 5S, showed that by properly implementing 5S first, the likelihood of a positive outcome in lean implementation doubles. Without the discipline and standardized work being followed by an engaged workforce, the many lean implementation failures will continue. If you can’t do this in good times, how will it ever support your company in tougher times?

1.6 Continuous Improvement for Business Excellence

Operational excellence can be made sustainable only by instilling an enabling culture. Having said that, what are the current definitions of excellence?

“-… the quality of excelling; possessing good qualities in high degree.
-… an outstanding feature; something in which something or someone excels; a center of manufacturing excellence.
-… the use of herbs in one of the Excellencies of French cuisine.”
- “The quality of being excellent; state of possessing food qualities in an eminent degree; exalted merit; superiority in virtue.”

19
20
Thank you for downloading a Chapter Preview of

The Relativity of Continuous Improvement
Learning how to work on what matters
by Dr. Klaus Blache

Purchase this book, go to The MRO-Zone Bookstore website:

http://mro-zone.com
To be excellent in business, you need a vision with a clearly defined purpose. By successfully managing the cultural changes and continuous improvement, you transition your organization’s vision into reality.

The Relativity of Continuous Improvement allows you to learn how to change and sustain the behavior of the individual and, collectively, the team as the foundation of ongoing improvement and striving to be the best.

➤ Chapter 1 Continuous Improvement and Change Management begins with an overview on the current state of continuous improvement and focuses on the importance of workforce culture and process.

➤ Chapter 2 Change Implementation Concepts and Models reviews select basic historical models used for implementations of change.

➤ Chapter 3 Using Lean Tools and Other Techniques for Continuous Improvement is an overview of multiple methods utilized to make improvements.

➤ Chapter 4 Enablers for Successful Change and Sustainable Continuous Improvement focuses on the success factors for implementing change and discusses the need for understanding the value and roles of individuals, teams, leaders and followers.

➤ Chapter 5 Model for Sustainable Change elaborates on what happens when employees are and are not engaged.

➤ Chapter 6 Sustaining Change hones in on changing the thinking process to enable, deploy and support ongoing change.

➤ Chapter 7 It’s Up to You is all about doing something to get the change process started and making a positive difference.

It’s about steady continuous improvement – lots of little changes and some big ones.