Improving Performance and Managing Change

Dr. D. M. Gabrielle, Ph.D.

“Gabrielle”
Ground Rules

1. Turn any cell phones or pagers to the off or vibrate position.
2. Listen actively.
3. Participate to the fullest of your ability.
4. Keep an open mind.
5. Please keep examples in the room.
Objectives

By the end of this session, participants should be able to:

– Describe how to achieve optimum organizational performance in today’s environment
– Achieve effective communication in times of adversity
– Reduce resistance and increase buy-in for change efforts
– Determine your adversity quotient
Human Performance Technology

- Uses systematic approach
- Incorporates total quality management, process improvement, psychology, instructional systems, business, human resources, and industrial engineering
- Uses a variety of interventions to improve performance and productivity
How Do You Currently Measure Organizational Performance?

- Internally?
- Externally?
Performance Analysis

- Organizational Analysis: Vision, Mission, Goals, Values, Strategies
- Gap Analysis and Needs Assessment
Data Inputs

- Extant Data
- Interviews
  - Confidential
  - Face-to-face when possible
- Observations
- Job Shadowing
Performance Measures

- Inputs
- Performers
- Outputs
- Consequences
- Feedback
Cause Analysis

• Lack of Environmental Support
  – Workflow
  – Process
  – Resources
  – Feedback (consequences, rewards, etc.)

• Lack of Behavior or Performance
  – Motivation
  – KSAs
  – Communication
Lean Manufacturing & TQM

- Achieve high level of throughput
- Reduce inventory
- Eliminate waste, errors, and safety issues
- Allow decisions to be made at all levels
- Improve customer service
- Increase productivity and efficiency
- Increase sales and profitability
- Improve safety and quality
Interview Questions

• What does a typical shift in your job look like from the time you get to work until you leave (tasks, processes)?
• What kind of training did you receive when you first started working here? If you received no training, how did you learn the skills required for your job (experience, mentor, word of mouth, etc.)?
Interview Questions

• Do you receive feedback on your performance? If so, who gives it to you? What kind of feedback?

• How often does a press machine go down? Describe what happens when a machine breaks down. (If vague response, ask what happened the last time the press machine broke down. What did the crew do while it was down? For how long was it down? How did it impact their shift?)
Interview Questions

• Do you have frequent communication with your supervisor? What kind of communication?

• Are there any communication challenges here? How do you think this should be solved?

• Do you think you get paid enough for what you do? If not, what would you like the pay to be?
Interview Questions

• Is the work area organized well for working on your tasks? (This includes moving the machine to a different location or angle). If not, how would you change it?
• Do you have all the tools you need to get your work done? If not, what do you need?
• What do you think are the reasons people might quit their jobs here?
Interview Questions

• Is there any incentive to do a good job and stay here besides salary? (i.e. opportunities to advance) What would you like to see here?

• Are you cross-trained in other areas? If so, what? If not, would you like to be? If not, why?

• How often do you make mistakes in your job? What are the typical reasons for those mistakes?
Interview Questions

• What are the biggest challenges in your day?
• What do you like most about working here?
• If there were one thing you could do to make working here better, what would it be?
• Do you have any other ideas you'd like to share?
What do you think are the reasons people might quit their jobs here?

- Lack of Knowledge/ Formalized Training
- Better Pay, Incentives
- Frustration with Equipment/ Failure of Presses
- 12-hour Shifts with No Breaks
- Inability to See a Future at the Company
- Change in Policies without Communication of Changes
- Management Disconnect with Employees
- Lack of Visibility in Graveyard Shift
If there were one thing you could do to make working here better, what would it be?

- Improve Communication
- Better Pay, Promotions, Overtime
- Improve Equipment/ Replace Presses
- Create Procedures and Standards
- Respect Employee Time/ Improve Scheduling
- Offer More Cross Training
- Move Business to Tallahassee
- Improve Air Circulation
- Promote Progressive Thinking
Do you receive feedback on your performance?

- 50% Yes
- 40% No
- 10% Yes, but Not Adequate
Interventions

• Solutions and associated costs for each

• Examples
  – Training
  – Change in workflow
  – Redirecting resources
  – Personnel changes
  – New equipment
  – Communication improvements
Evaluation

• Formative
  – Helps assess a program or intervention as it is in progress
  – Helps with decisions in making appropriate adjustments

• Summative
  – Helps assess a program or intervention after it has been implemented
  – Determines overall effectiveness
Employee Engagement

- 2001 Gallup Management Journal poll found
  - 26% of all employees are actively engaged in their work
  - 55% are not engaged
  - 19% are actively disengaged
Employee Engagement

Gallup benchmarks and compares data from:

• 5.4 million employees
• 620,000 workgroups
• 504 organizations
• 16 major industries
• 7 major world regions
• 137 countries
The need for self-actualisation
Experience purpose, meaning and realising all inner potentials.

Esteem Need
The need to be a unique individual with self-respect and to enjoy general esteem from others.

Love and belonging needs
The need for belonging, to receive and give love, appreciation, friendship.

Security Need
The basic need for social security in a family and a society that protects against hunger and violence.

The physiological needs
The need for food, water, shelter and clothing.
Maslow’s Hierarchy of Needs
Applied to Employee Engagement

How can we grow?

Do I belong?

What do I give?

What do I get?
Performance Motivation

**Individual Characteristics**
- Interests
- Attitudes
- Needs
- External factors

**Job Characteristics**
- Rewards and recognition
- Degree of autonomy
- Feedback received
- Variety of job tasks

**Work Environment Characteristics**
- Treatment by supervisors and peers
- Physical environment
- Organizational climate
"If you want to make enemies, try to change something."

Woodrow Wilson
Change

- Change happens.
- There are 3 categories of people:
  - Those who embrace change.
  - Those who deal with it.
  - Those who complain about it.
Adversity

- Difficulties happen.
- Out of adversity comes opportunity.
• "The soul would have no rainbow had the eyes no tears."

Native American Proverb
Change projects do not have a successful track record.

- 50% to 75% of all Manufacturing Technology Projects in the US fail.
- 50% to 75% of all re-engineering efforts do not deliver the expected results.
- Only 16% to 24% of all Information Systems and Technology projects are completed successfully.
- Of those completed, 52.7% will cost 189% of the original estimate/budget (over runs).
- Completed projects deliver only 42% of the original requirements in large companies.

*Standish Group Chaos Report*
Top 10 Reasons Change Efforts Fail

1. No sense of urgency (complacent staff)
2. Lack of commitment and guidance from leadership
3. Failure to obtain ownership from all stakeholders
4. Lack of vision
5. Under-communicating the vision
6. Not removing obstacles to new vision
7. Not celebrating milestones
8. Declaring victory too soon
9. Not anchoring changes in the corporate culture
10. Not dealing with the emotional component of change

Myths about Change

- People will eventually adapt to change (without change management).
- People hate change.
- Change happens; you don’t have to manage it.
- That’s what we pay our managers to do.
- The project will get done with or without change management.
Complete the Adversity Quotient Assessment
Break
What is Change Management?

- Systematic approach to transitioning individuals, teams, and organizations from a current state to a desired future state
  - Includes preparation for change management
  - Engages senior managers as change leaders
  - Builds awareness of the need for the change
  - Develops KSAs to support the change
  - Helps employees move through transition
  - Involves methods to sustain the change
Framework For Change

Change Forces
- Globalization
- Technological Innovation
- Intensified Competition
- Consumer Expectations

Is Our Business Current?

How Business Is Positioned for change
- Organization
  - Culture/Climate
  - Organization Structure
  - Market Orientation
  - Leadership Support
  - Learning

How Individuals Respond to Change
- Is Organization And Individual Performance Satisfactory?
Lewin’s 3 Phases of Change

- Unfreeze
- Transition
- Refreeze
Unfreeze

1. Determine what needs to change.
2. Ensure strong support from upper management.
3. Create the need for change.
4. Manage and understand the doubts and concerns.
Transition

1. Communicate frequently
2. Dispel rumors
3. Empower action
4. Involve people at all levels in the process
Refreeze

1. Anchor changes into culture.
2. Develop ways to sustain the change.
3. Provide support and training.
Unfreeze
Transition
Refreeze
Unfreezing Techniques

- Burning platform
- Challenge
- Evidence
- Destabilizing
- Education
- Restructuring
- Setting goals
- Visioning
- Systematic Planning
Transitioning Techniques

- Coaching
- Involvement
- Management by Objectives (MBO)
- Re-education
- Restructuring
- Shift-and-sync
- Spill and fill
- Stepwise change
- Systematic Planning
Refreezing Techniques

- Evidence stream
- Institutionalization
- New challenge
- Rationalization trap
- Reward alignment
- Rites of passage
- Socializing
Change Continuum

Kurt Lewin, 1993
Basic organizational responses to change

- Level 1
  - “Coping”
  - Victim Mindset

- Level 2
  - “Adapting”
  - Adjust Mindset

- Level 3
  - “Exploiting”
  - Opportunity Mindset

- Level 4
  - “Creating”
  - Possibilities
  - Mindset
## Four Levels of Change

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>MENTALITY</th>
<th>VIEW ON CHANGE</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 COPING</td>
<td>Victim</td>
<td>Unfair, unjust&lt;br&gt;Being done to us&lt;br&gt;Short term&lt;br&gt;Of little importance</td>
<td>Blame and complain&lt;br&gt;Fight back “against”&lt;br&gt;Deny or dismiss&lt;br&gt;Ignore / Hope it goes away</td>
</tr>
<tr>
<td>2 ADAPTING</td>
<td>Adjust</td>
<td>A nuisance / A pain&lt;br&gt;A necessary evil&lt;br&gt;Short to medium term&lt;br&gt;Of some importance</td>
<td>Neutral / Accept&lt;br&gt;Low level attention&lt;br&gt;Make light adjustments to play along&lt;br&gt;Touch and go</td>
</tr>
<tr>
<td>3 EXPLOITING</td>
<td>Opportunity</td>
<td>Tough reality&lt;br&gt;Provides opportunities if wanted&lt;br&gt;Medium to long term&lt;br&gt;Of clear importance</td>
<td>Accept / Embrace&lt;br&gt;Explore what is happening&lt;br&gt;Initiate changes aligned with change event&lt;br&gt;Monitor to ensure success</td>
</tr>
<tr>
<td>4 CREATING</td>
<td>Possibility</td>
<td>Normal / Constant state&lt;br&gt;Provides possibilities to create&lt;br&gt;Constant state of things&lt;br&gt;Of great importance</td>
<td>Anticipate / Look forward&lt;br&gt;Explore why it is happening&lt;br&gt;Initiate changes beyond the change event&lt;br&gt;Continuously improve</td>
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Why Change Initiatives Fail

- 500 executives said that resistance was the primary reason changes failed in their organizations.
- 80% of CIO's said resistance was the main reason why tech projects failed - not lack of skills or resources; human response.
Why People Resist Change

- Lack of job skills and new competencies
- Lack of information
- Lack of agreement with new direction
- Current job threatened
- Loss of control
- Fear of the unknown
Fear Bandwagon

- Canadian poll examined irrational anxieties
- Found that 68% would accept a message of doom and gloom without questioning who was telling them and what they were talking about
Dealing with Resistance

- Resistance to change as well as management's reaction to resistance both contribute to failure.
- If management ignores employee resistance (or lack of engagement), there is a greater chance of failure.
“Whether you think that you can, or that you can't, you are usually right.”

Henry Ford
Tyson’s Organizational Change Methodology

- Planning
  - Estimate level of effort.
  - Determine the number of business and project training resources needed.

- Procedures and Templates
  - Understand the history and current state of the organization.
  - Identify how the project will impact today vs. tomorrow’s business.
  - Identify Stakeholders that can impact the success of the project and anticipate how it will impact the business.

- Training
  - Arm Team Members with the information, knowledge, and skills that they need to be successful in tomorrow’s world.

- Communication
  - Create awareness, buy in, and ownership for the project.
  - Communicate the right message to the right Team Members at the right time.
  - Create an ongoing ‘conversation’ with all Stakeholders in order to engage them in the project.
The Accelerated Change Process

Current State
- Analyze & Prepare

Transition State
- Design & Engage

Future State
- Implement, Monitor & Sustain

- Leading Change
- Building a Shared Need
- Creating a Vision
- Mobilizing Commitment
- Changing Systems/Structures
- Monitoring Progress
Prerequisites for Successful Change

- Current State
  - Analyze & Prepare

- Transition State
  - Design & Engage

- Future State
  - Implement, Monitor & Sustain

- Leading Change
  - Engaged leadership who sponsors the change and assembles the right team of people to make it happen.

- Building a Shared Need
  - Providing a compelling reason for change that is sufficient to overcome resistance to the change.

- Creating a Vision
  - Clearly articulating the desired outcome for the change that is reasonable and legitimate.

- Mobilizing Commitment
  - Securing understanding and commitment from key stakeholders to make it work.

- Changing Systems/Structures
  - Aligning management practices, systems and processes to reinforce the change.

- Monitoring Progress
  - Ensure accountability and celebrate successes.

- Successful Change
Change Management Continuum

Adapted from Darryl R. Conner (1993). Managing at the Speed of Change. Random House
Prepare Phase (Inform Phase)

- This phase lays the groundwork for later work toward support for the change.
- It prepares people for changing their behavior and primarily consists of making people aware of change and why it will happen.
Educate Phase

- This phase is the transition to understanding what impact the change will have on all involved.
- It enables people to begin making decisions about whether or not to accept the change.
Commit Phase

• With all the preparation having taken place, the change is implemented during this phase.
• During this phase the change is institutionalized and becomes part of everyday life for the stakeholders.
Organizational Change Management

Productive Behaviors

How to minimize the dip?

How to accelerate the performance?

Managed Change

Unmanaged Change

Unproductive Behaviors

Business Performance

Time
Change Readiness

1. **Communication** - Articulate vision & business case. Build understanding of new expectations; invite feedback.

2. **Leadership & Ownership** - Build alignment of leaders and team members to own program outcomes including business ownership of the “what and how”.

3. **Learning** - Develop new, sustainable skills and capabilities.

4. **Work Design & Talent Management** - Alignment of roles with new capabilities and expectations. Proactive talent management efforts to match changing requirements.

Context for Communicating Change

• Define organizational change management
• Illustrate primary reasons for project failure
• Describe the change process
• Provide tactics for ensuring successful change
• Share lessons learned
• Focus on your business challenges
Communication Strategies along Change Continuum

**Unaware**
- Raise awareness
- Recommend solutions and get stakeholders involved

**Aware, concerned, knowledgeable**
- Identify perceived barriers to change
- Identify perceived benefits of change

**Motivated to change**
- Provide logistical information
- Use teams to motivate and communicate

**Tries new behavior**
- Encourage continued use by emphasizing benefits
- Reduce barriers through problem solving and communication

**Implements and sustains new behavior**
- Assure them of ability to sustain and support new behavior
- Remind them of benefits of new behavior

Adapted from World Bank, 1996
## Communication Template for Change

<table>
<thead>
<tr>
<th>Key Message Purpose/Objective</th>
<th>Sender</th>
<th>Audience</th>
<th>Method</th>
<th>Scheduled Date</th>
<th>Actual Date</th>
<th># of Attendees</th>
<th>Comments</th>
<th>Team Member Assigned</th>
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Change Process

• Current State
• Delta State
• Desired State

• WHY?
• HOW?
• WHAT?
Conclusions and Questions?

Gabrielleconsulting.com/gadsden-change