## Introduction

Management of change is a much discussed, yet controversial term. Most people do not like change. However, we simply cannot do without it. Our lifestyle, our economy, even our culture is based on change. Without change we would still be chasing bears and living in caves. Within our organizations we simply have to deal with changes. Black Belts face an everlasting flow of changing requests from customers and managers on price pressure, costs cutting and innovations. As a consumer we all want our TVs to get larger, thinner and cheaper. We all want our computers to become smaller, faster and (again) cheaper. A request for a passport and financial transactions need to go faster and we all want more cures and care without paying more. At the same time, many people have problems when these changes have an impact on their way of working.

> *"If you always do what you always did,*
> *you will always get what you always got."*

Many people attribute this quote to Anthony Robbins and before him Albert Einstein, Henry Ford and even Mark Twain. More important than the origin, however, is the point it makes. If you want to change the result, you need to change the way things are done.

Management of Change S-Curve

Successful changes will result in growth. However, this will only be for a limited amount of time. Even the result of a successful change will stabilize at a certain point. If nothing is done, the growth will fade away. Organizations cannot wait too long to start the new 'Innovation curve' or 'Change curve'. This again can be illustrated with the introduction of a new TV model. No matter how innovative, after a certain period of time the market will request a new model. Also, competition is on-going. Doing nothing is not an option. The duration of a growth curve depends mostly on the type of product or service. High-tech products will have shorter curves than transactional processes. The only way to survive a declining curve is to start a new one. The switch from one curve to a new one is a period of 'Change'.
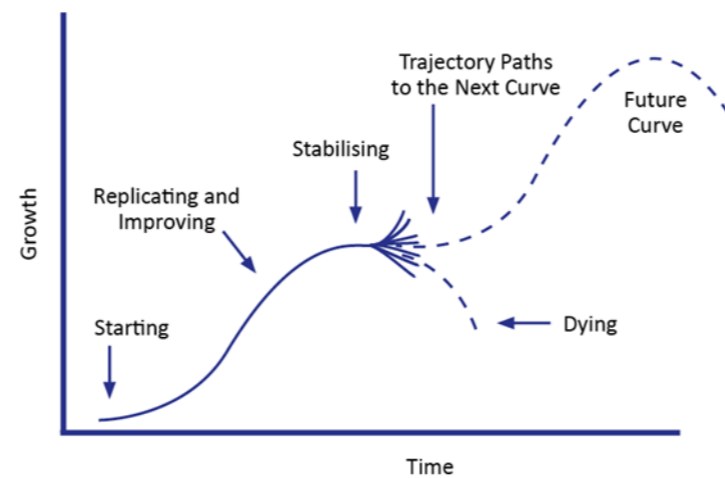
Process improvement and innovation have to deal with changing environments. As mentioned in the first chapter of this book, we constantly have to innovate our products and services and we constantly have to improve our processes. Changes might be small, as in 'Continuous Improvement', or major, as in 'Breakthrough improvements'. Implementing each of the five levels of the maturity model for the first time within an organization should be considered as a major change and should be managed accordingly.

Organizational Culture

Several studies have concluded strong correlations between the success of programs of change and whether culture was leveraged in the process of change. This demonstrates the need for a more culture-oriented change approach by the change agent or deployment leader. Organizational culture is the behavior of humans within an organization as well as the meaning that people attach to this behavior. Organizational culture represents the collective values, beliefs and principles of people, which are a product of aspects such as history, product, market, technology, strategy, type of employee, management style and national culture (Needle, 2004). Organizational culture also includes the integrated pattern of shared knowledge and information and the capacity for learning and transferring knowledge to others. All these aspects comprise the organizational culture that affects the collective way of thinking and working by people in the organization and determine the standards and values of an organization. It affects the way people and groups interact with each   other, with clients and with stakeholders.

The process of change is difficult because the organizational culture and the structures in which it is embedded, often reflect the imprint of earlier periods in a persistent way. This may cause a remarkable level of inertia. Although the management of an organization acknowledges the importance of organizational culture in a process of change, there is clear diversity in the way they treat organizational culture. Black Belts and managers should be open to the signals sent by those who are part of the process of change. Taking into account the cultural aspects of the organization will be helpful in the acceptance of new improvement initiatives.

About 10-20% of people in the organization can be identified as 'Blockers'. They demonstrate resistant behavior and can barely be convinced of the need of change. Another 10-20% can be identified as 'Movers'. They are happy with the anticipated change and help to make it work. These are the people that should be assigned to Green and Black Belt projects. The majority of the people, however, can be identified as 'Floaters'. They do not know yet what to think of the change. They wait and see what Blockers and Movers will do. This is an important group to involve after the first projects have been successful.

Reasons to resist change

Green and Black Belts often occupy the role of a change agent. To be successful in this role, it is good to realize why people resist change and to know how some of these reasons can be addressed. As a project manager you do not have to answer all the questions or take all uncertainty away (because you simply cannot). However, you should be able to recognize the reasons for resistance and take these seriously.

Surprise:
People may resist change when they are shocked. This happens when they are not informed. People should be prepared for change early on.

Self-doubt:
People question if they are able to meet the requirements in the new environment. Show your faith in those who are involved in the change process. Explain what support can be expected.

Loss of control:
People may be confused and lose control over their work. Make sure you structure the steps that it takes to regain control.

Growing uncertainty:

In some situations not everything is clearly defined from the beginning. Uncertainty may cause resistance. Make sure you are clear about what is defined and what is not yet defined.

Disruption of routine:

Realize how a new way of working can disrupt routine. Prepare people in the new way of working. This takes time, training, managing expectations and support.

Loss of face:

Changes may bring about loss of face because the change may evoke the feeling that people did not do their job well in the past. Engage these people, acknowledge their position and show respect.

Workload:

For a certain period of time, the activities related to the change project often come on top of daily work. Managers should free up time and resources to work on the change project.

Loss of jobs:

The greatest danger is uncertainty about loss of jobs. When loss of jobs cannot be avoided, it should be managed as well as possible. The advice is to separate the role of the project manager and the manager that has to deal with.

Change Management approaches

Managing process change requires a lot of soft skills which often are not present in all Green Belts and Black Belts. In the following sections we will review a number of change models and a number of techniques that can be used to manage the change process of implementing Lean Six Sigma in the organization, but also to manage the change that is involved in single projects.

Eight steps of Change (Kotter)

> *"70% of all major change efforts in organizations fail."*
>
> *John Kotter*

We will explain these 8 steps below: (Source: www.kotterinternational.com)

1. CREATE Sense of Urgency:

Help others to see the need to change and they will be convinced of the importance of acting immediately.

2. BUILD Guiding Coalition:

Assemble a group with enough power to lead the effort to change and encourage the group to work as a team.

3. FORM Strategic Vision and Initiatives:

Create a vision to help direct the effort to change and develop strategies for achieving that vision.

4. ENLIST Volunteer Army:

Communicating the Vision for Buy-in and make sure as many as possible understand and accept the vision and the strategy.

5. ENABLE Action by Removing Barriers:

can implement the vision. Finally, reinvigorate the process with new projects.

6. GENERATE Short Term Wins:

Plan for achievements that can easily be made visible, follow-through with those achievements and recognize and reward employees who were involved.

7. SUSTAIN Acceleration:

Use increased credibility to change systems, structures and policies that do not fit the vision. Also hire, promote and develop employees who can implement the vision. Finally, reinvigorate the process with new projects.

8. INSTITUTE Change

Making decisions by Consensus

One of the Toyota principles is Nemawashi, which means: 'Making decisions slowly by consensus, thoroughly considering all options and then implement decisions rapidly'. It can be very conflicting to the culture of managers who prefer to make decisions rapidly, not considering all options and hazards, thereby running the risk that problems have to be solved later on. Consensus is a very noble aspiration. Consensus means that all people concerned will be involved and discuss the possible options and best choices. If the decision is not unanimous, the minority will comply with the decision of the majority, without complaint or rejection.

A simple and straightforward approach, especially for bottom-up initiatives, is the '3D-process':

Discuss: involving all concerned.

Decide: by consensus.

Do: following the group decision without repining.

This process requires that there is time given to all involved so that they can contribute to define the solution or new situation. After a certain period of time it is necessary to come to a decision. The best way to reach an agreement is by 'Consensus'. This means that the minority of the group will conform to the opinion of the majority of the group, without starting a new discussion. The entire workforce now contributes to the implementation of the agreed actions without repine.

About the Author

Having graduated from the University of Twente (Enschede, the Netherlands) in 1994, Theisens (1969) developed his experience of process improvement as a consultant in the automotive and high-tech industry at Texas Instruments, Sensata Technologies, Thales and several other companies. During a period of 20 years he was given the opportunity to help a broad range of organizations deploying Continuous Improvement initiatives in a wide range of industries.

In a production plant in Mexico he led several 5S programs, Kaizen initiatives and a Lean transformation. In several plants in Europe and Malaysia he executed and coached around 50 Six Sigma breakthrough projects. At an automotive engineering department he supported the introduction of Design for Six Sigma.

Currently Theisens is Managing Director and Master Black Belt of a Consultancy and Training company in the Netherlands that is specialized in 'Business Improvement' and he is a guest lecturer at the University of Twente. Theisens is also founder of the LSSA – Lean Six Sigma Academy©.

About the Lean Six Sigma Academy

Lean Six Sigma Academy (LSSA) is the Scheme Owner for Lean Six Sigma. LSSA designs the training and certification standards for Lean Six Sigma and has developed a series of training materials for each belt level of Lean Six Sigma, including books, presentations, syllabi and exams. Being an open, professional and quality-driven Lean Six Sigma knowledge Community, LSSA supports the development of training, curriculum and certification of Lean Six Sigma in various branches to the global market.

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