

Change Management - A Starting Point

by Tom Terfehr

The mantra in all of our workplaces today is: improve the way we do things. The reasons explained in Chinese, Dutch, Tagalog, English or Spanish are the same: More output with less cost. To get that done means change - organizational change and personal change. So, if change is part of our everyday lives it makes sense to understand how change works and how to make it work for us.



The following tool to understand and manage change has stood the test of time. It was first introduced by Michael Beers more than two decades ago and variations have been used in industry, government and education to guide change management.

Probability of Effective Change = (D*M*P) - (C)

Where:

D = Degree of satisfaction with the status quo

M = Model (picture, vision of changed future)

P = The implementation process

C = Cost (organizational & personal) as measured by time, effort, resources required, etc.

The point is that change can be managed. Let's take each element of the change process and see how:

"D" - Degree of satisfaction with the status quo - for any change to happen there must be a reason. The stronger the reason the higher the probability is for successful change. That reason could be an outside force such as a new product or service from a competitor, a new or different customer need or a recession that costs a large percentage of our business in one year. The reason could also be an inside force such as a new manager with different ideas, poor quality that is costing money in claims or equipment downtime that impacts customers. The point is: to manage change, you need to find a reason to improve things (the Why) that makes sense to the people who will need to change and then explain it...sometimes over and over again.

"M" - Model or picture, vision of the future - The evidence is clear that people first need to understand the new way of doing things before we can make a decision to change from what we are doing now. So to manage change the "new way" needs to be explained. The benefits should be part of that explanation. Benefits come in the form of less pain (e.g. lost customer orders, regulatory warnings & fines, claims, etc.) or more pleasant things (e.g. higher equipment uptime, on-time shipments, no regulatory incidents, etc.). The point is: to manage change, explain a better way (the What) that makes sense to the people who will need to change and then explain it...again, sometimes over and over again.

"P" - the Implementation Process - Changing to a new way of doing things means that we need a roadmap. One helpful way to create the map is the "start, stop, continue" approach which involves three questions: What do we start doing (that we are not doing now)? What do we stop doing? And, very importantly, what do we continue doing? Change always means building on successes - taking core organizational and people strengths and building on them. The point is: to manage change, explain ways to improve things (the How) that makes sense to the people who will need to change and then explain it...over and over again.

"C" - Cost to change - Every change has a cost. The key question is: Does the gain exceed the pain (cost) of the change? Cost comes in the form of simple things like inconvenience, learning new ways of working or more complicated things such as retraining for a new job, learning to use a new computer system, changing locations to keep a job, etc. There are ways to reduce the cost of change such as training, working in teams to help one another and using expert resources to shorten the learning curve. The point is: to manage change, understand the costs and figure out ways to minimize them that makes sense to the people who will need to change and then explain it...over and over again.

To restate, change can be managed. The approach outlined here is leading edge "change management." GenesisSolutions has used this approach around the world (language and location do not matter - process does) to help our customers improve reliability, implement new CMMS software, redesign maintenance work management processes, change maintenance organizational structures, complete a corporate merger...and more.

To learn more about our Change Management practical application, please contact Tom Terfehr at tterfehr@genesissolutions.com.