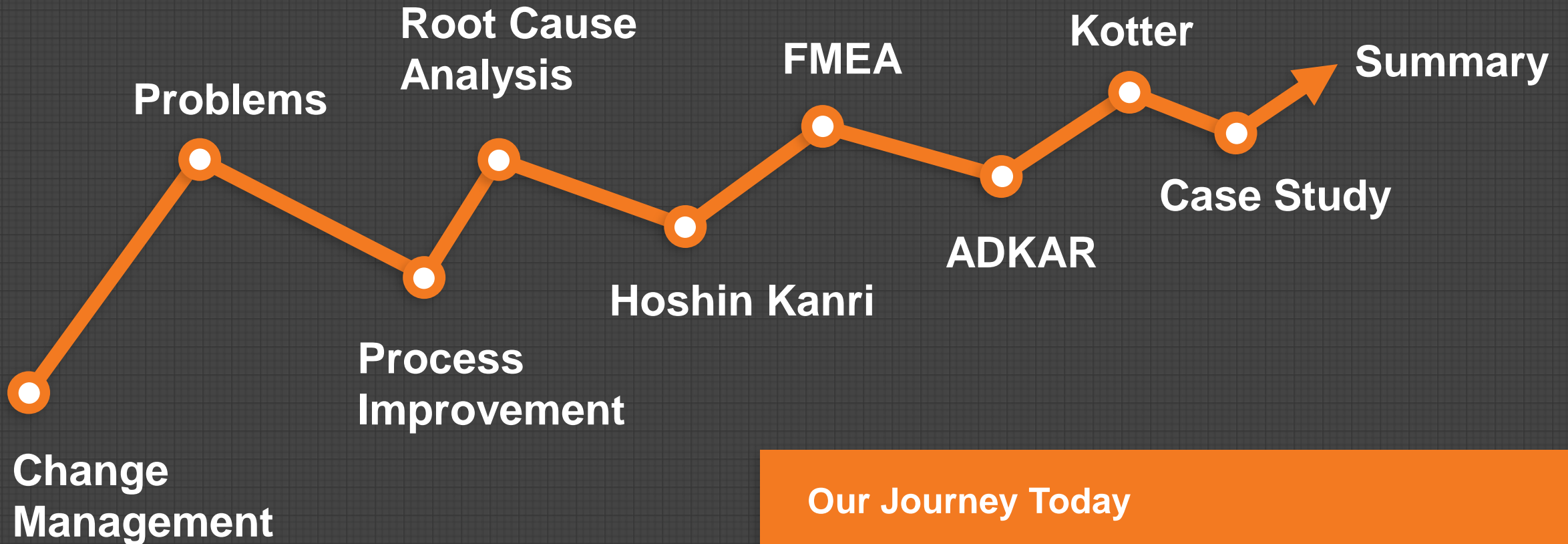


Change Management for Process Improvement

By: Mohanned Alsihati Dec 12th

Agenda



Multi-tasking?!



SWITCHTASKING IS A THIEF

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

Change Management



Change Management



Why

Why we do?



How

How we do it ?



What

What we do it ?



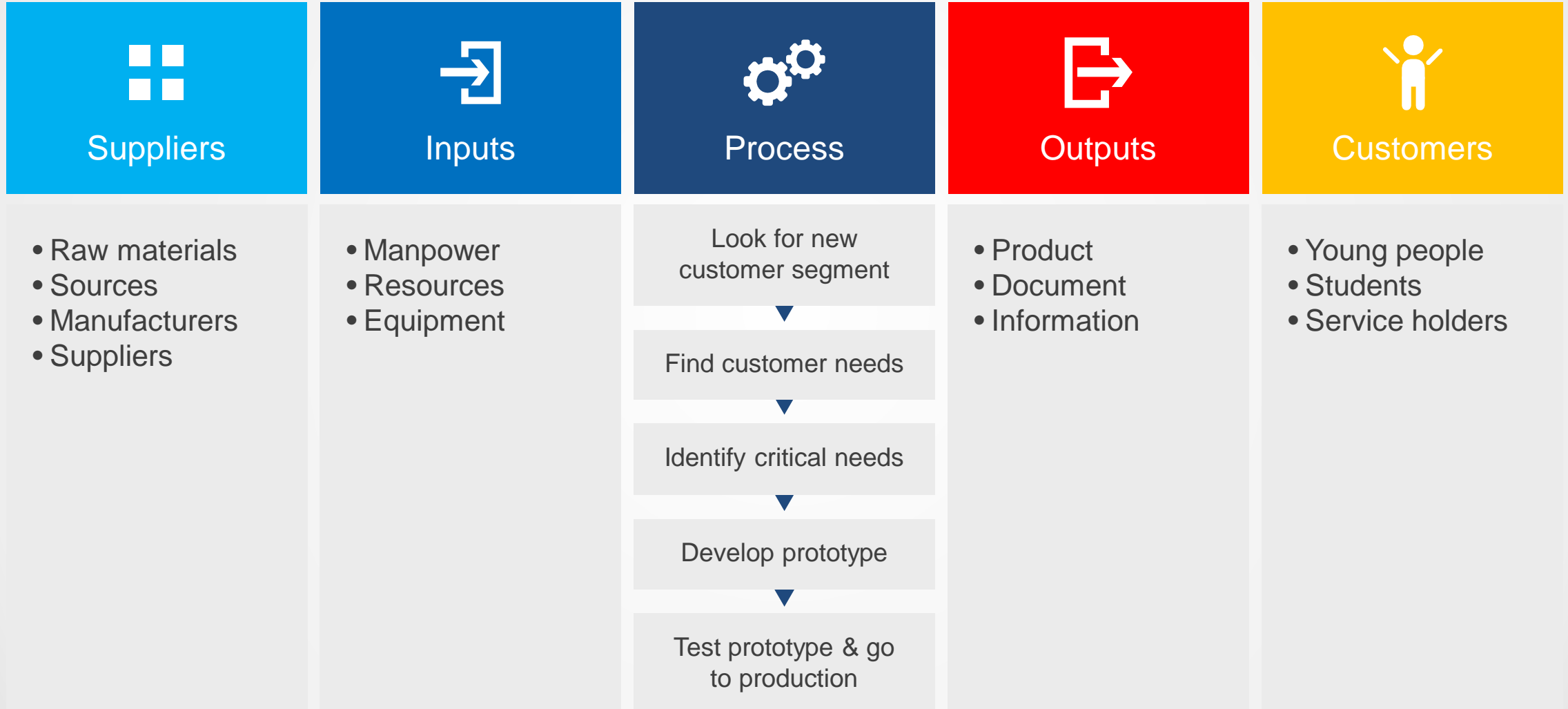
Population of the world ?

Around 7.5 Billion

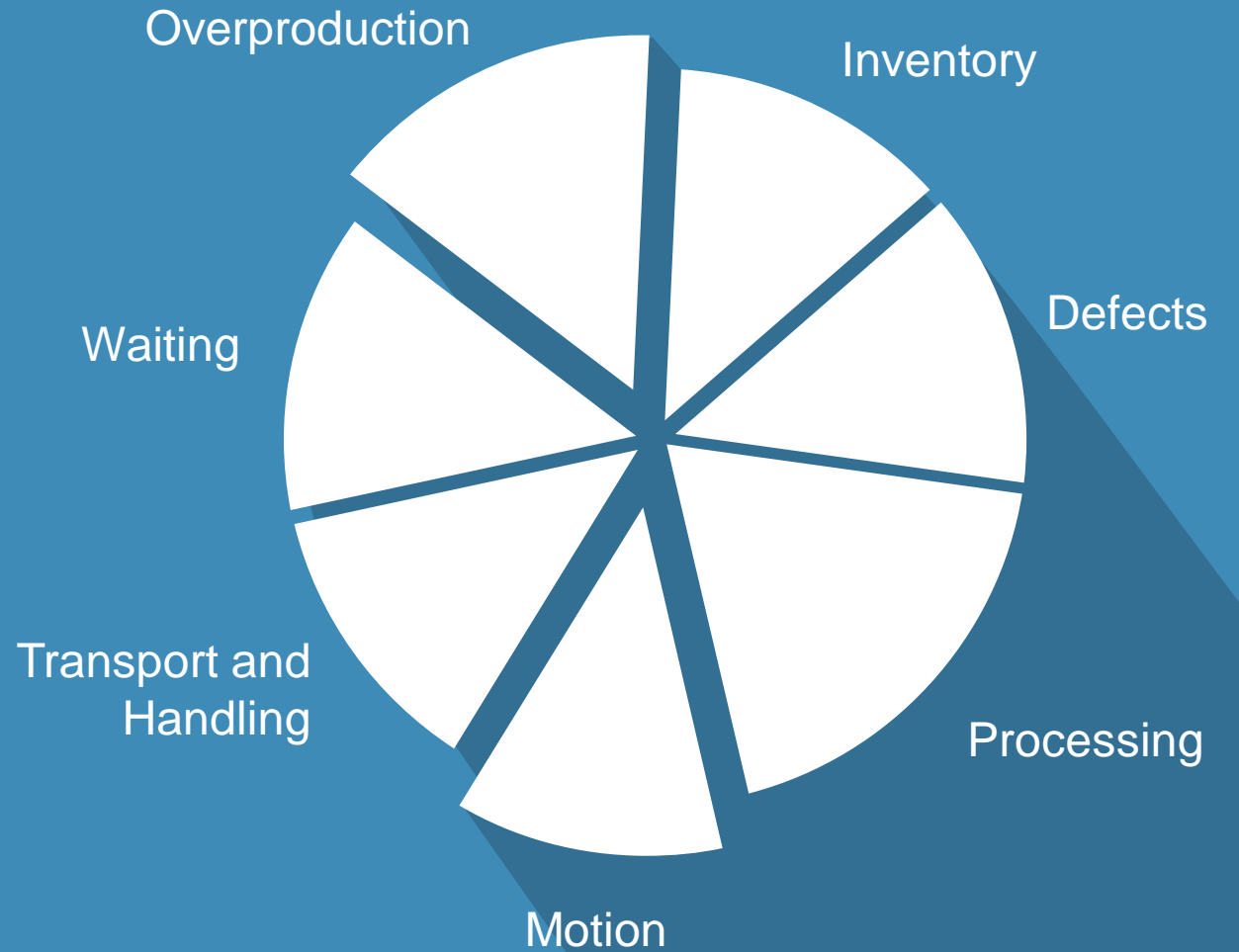
So, are you Unique?

Process Improvement

SIPOC



MUDA 7 TYPES OF WASTE



Muda 7 Types of Waste

Transportation

Movement of material that is not required

Inventory

Components, raw material, work-in-progress and finished product not being used

Motion

Unnecessary movement of people and equipment

Waiting

Waiting for the next process/production step

Over Production

Producing ahead of demand

Over Processing

Additional processing due to poor tool or product design

Defects

Cost and effort involved in quality inspection and fixing defects

Problems?

Problem Statement Formulation

1. **What** is wrong or not meeting your customer needs?

- i. **Quantified** metric (KPI) that describes current performance (**Baseline**)
- ii. Compare the baseline with a "**Benchmark**" or "**Standard**" to highlight the problem.

2. **When** and **Where** do the problem occur?

- i. **When:** Include the **time period** of the **data** taken to arrive at the baseline
- ii. **Where:** Location, Department, Unit, etc.

3. **How big** is the **problem** and the **negative impact** of the problem

Problem Statement Formulation

- Original

- Customers take too long to pay us (95 days average)

- First Revision

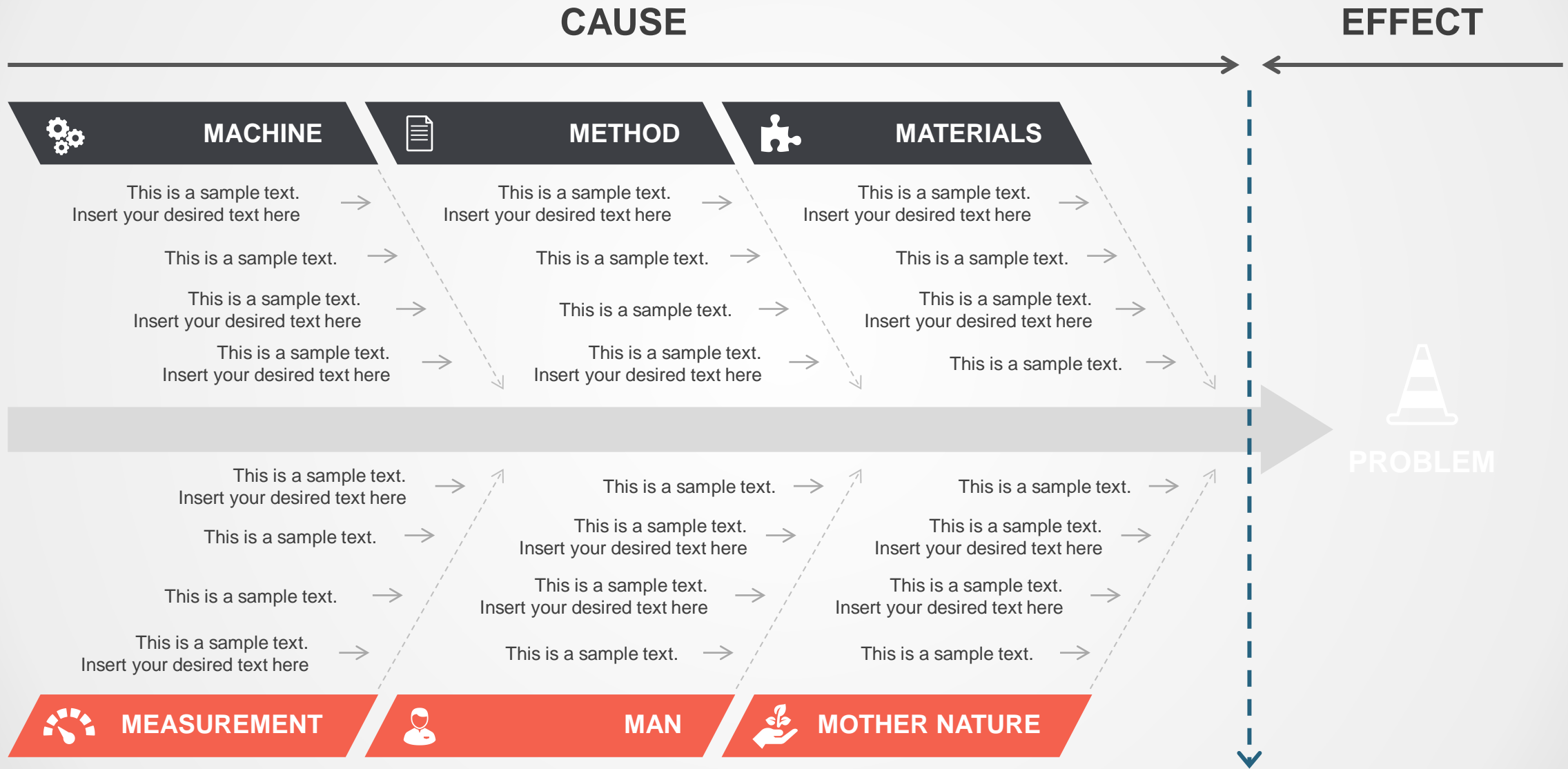
- 45% of our XYZ customers take more than 65 days from the final billing date to pay us. The average payment time was 95 days.

- Final

- Over the last 3 quarters of 2018, out of 5000 customers, the average payment time was 95 days with Standard Deviation of 23 days. 45% of our xyz customers took more than the target date of 65 days to pay us. This leads to problems in cash flow and negatively impacts our profitability.

Root Cause Analysis

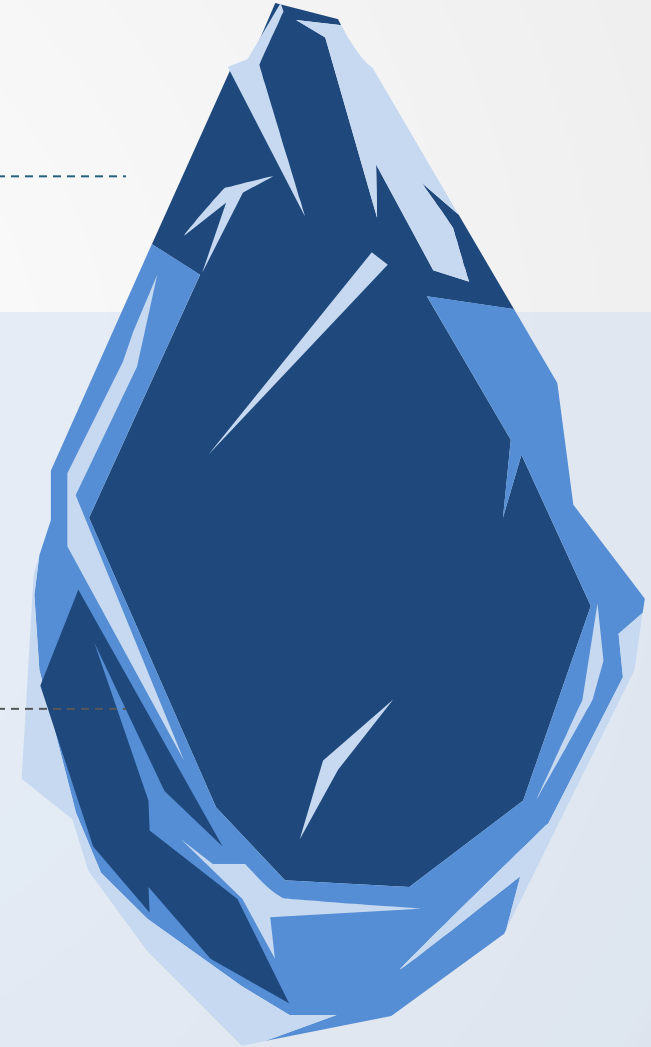
Cause-and-Effects-Diagram



PARETO RULE

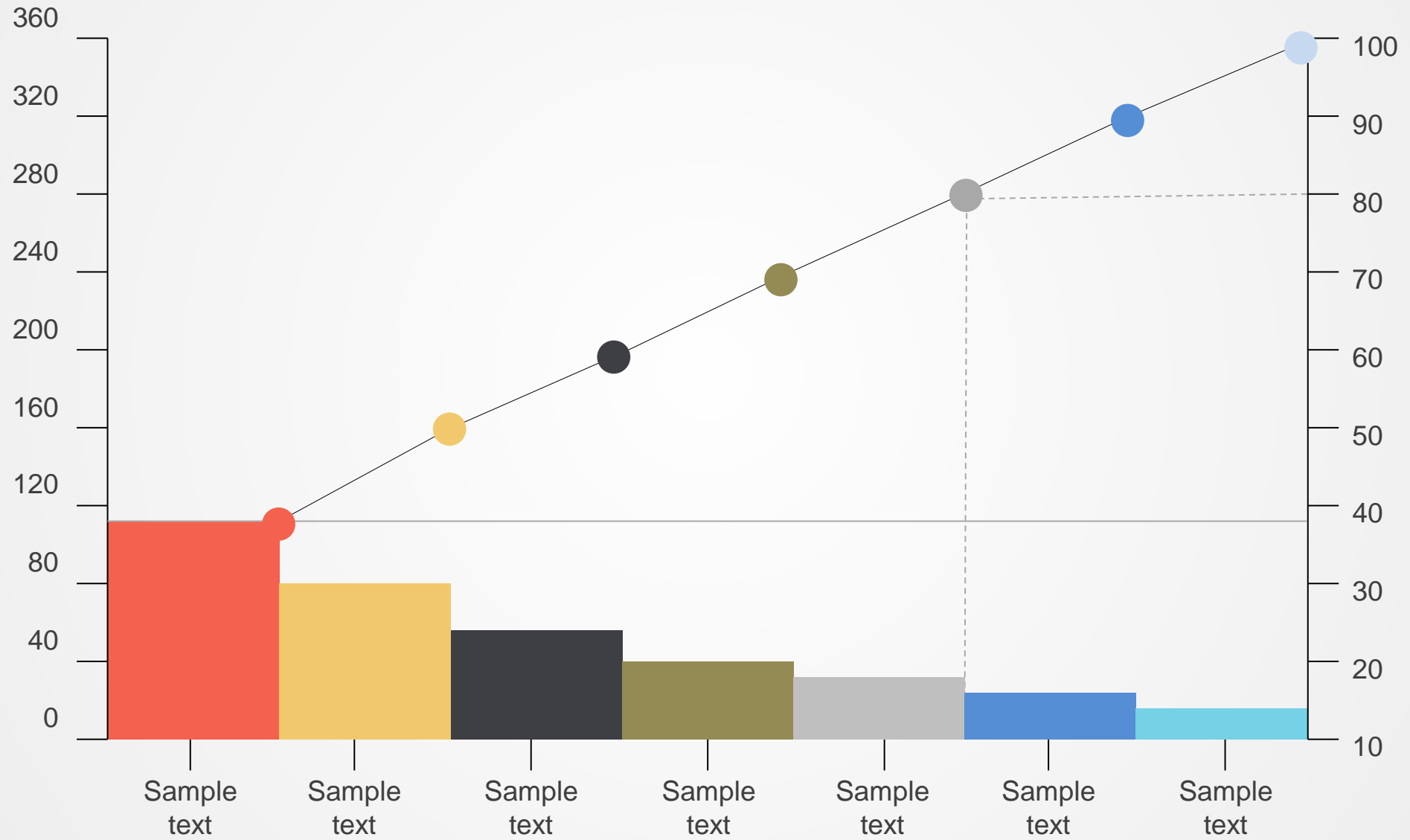
20%

80%





Pareto Rule



5 WHY'S ANALYSIS



5 Whys Analysis



5 Why's Analysis





Korean Airlines

Strategy Deployment



Hoshin Kanri

Hoshin Kanri

What does it mean?



Ho
Direction

+



Shi
Needle

=



Hoshi
Compass

Hoshin Kanri

What does it mean?



Kan
Control

+

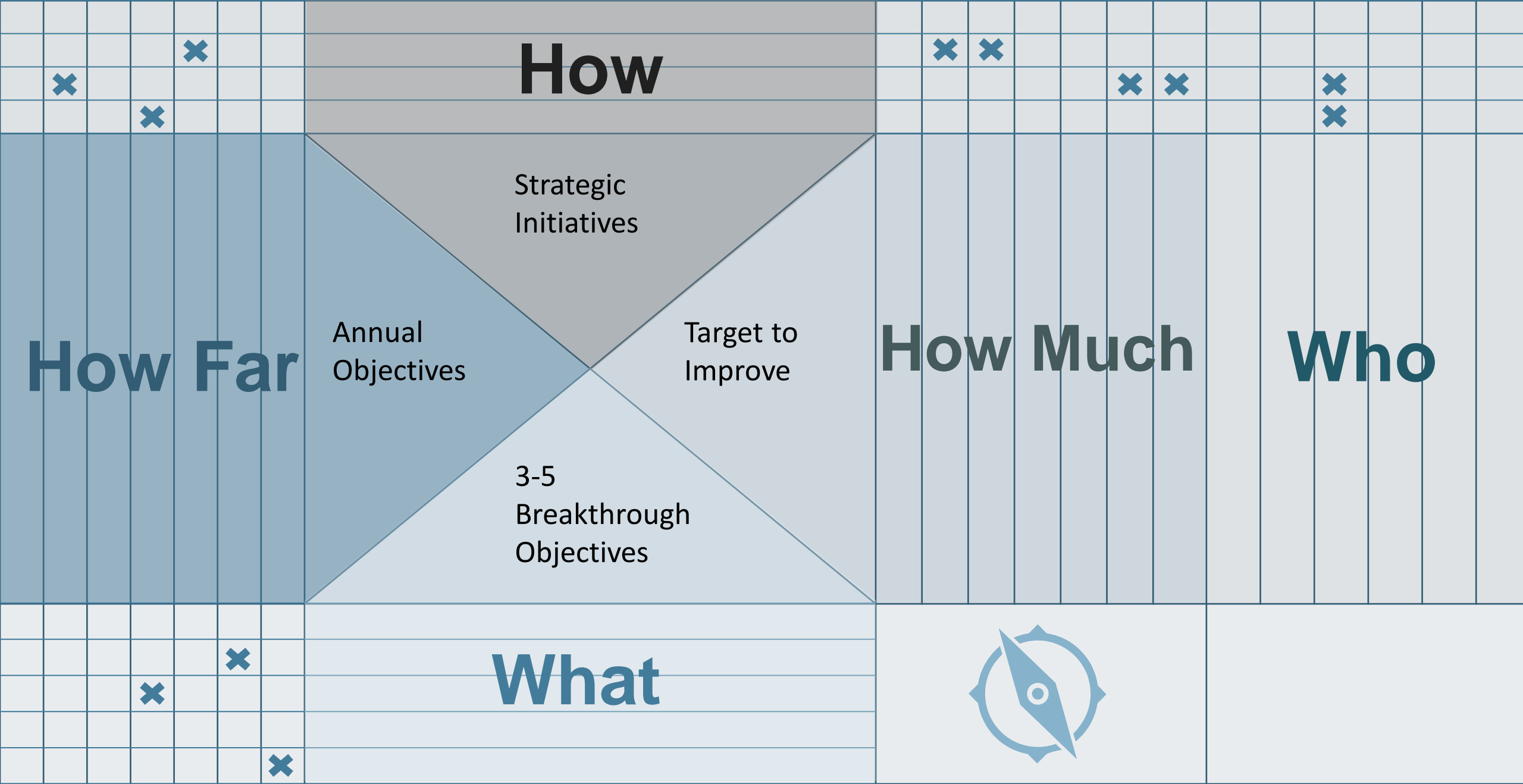


Ri
Logic

The 7-Step Hoshin Planning Cycle



Develop annual Objectives

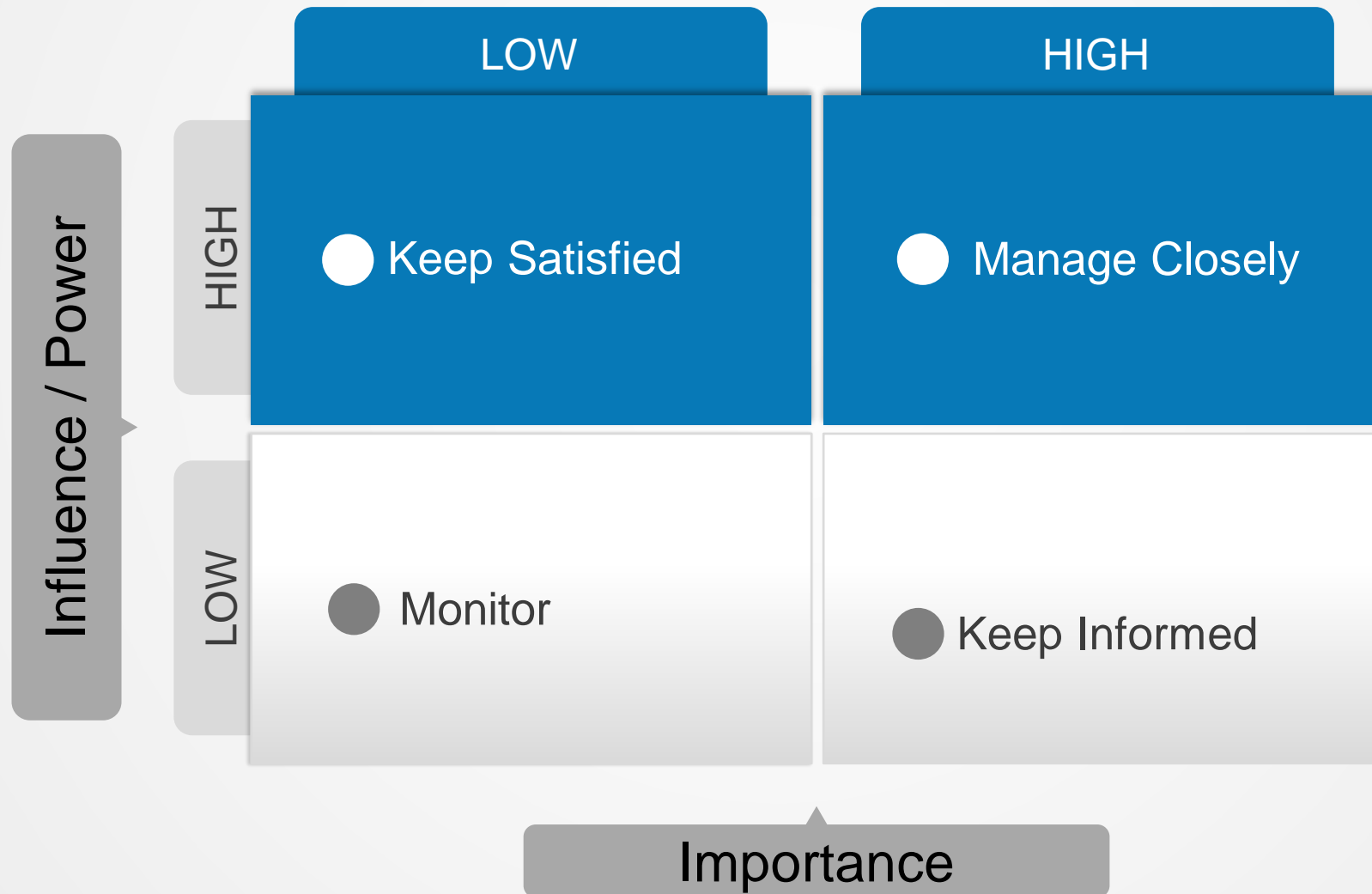


Stakeholder Analysis

Stakeholder Analysis



Stakeholder Analysis



Stakeholder Management

Name	Communication Approach (1)	Key interest (WIIFM)	Status (2)	Desired support (3)

1- Manage closely/ Keep Satisfied/ Monitor/ Keep Informed

2- Advocate/ Supporter/ Neutral/ Critic/ Blocker

3- High/ Medium/ Low

Failure Mode Effect Analysis (FMEA)

Failure Mode And Effect Analysis



Basic Concepts



The later an error is detected, the more difficult and expensive is to correct



Instead of using error detection and correction, avoid errors all together by identifying and evaluating the causes of potential errors in the concept phase



Thus inspection or error-tracking costs that would otherwise occur in the production phase or even after delivery can be avoided and overall costs reduced



Through past findings, the repetition of defects in new products and processes is avoided



The principle of error prevention plays the key role



The quality awareness of every employee is the focus



Quality control is no longer an area of expertise, but should be of common knowledge for each everyone



Benefits and Goals of FMEA



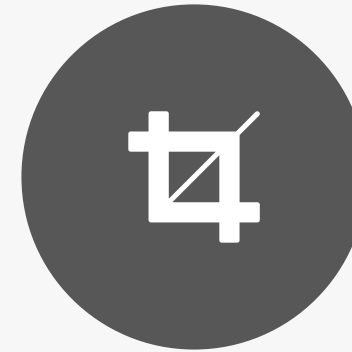
Recognizing risks
that are
connected with
products or
processes



**Developing
Products**
from the start,
so that no
errors, quality
defects or
damages arise



**Assuring
Functionality,**
safety and
reliability to
minimize liability

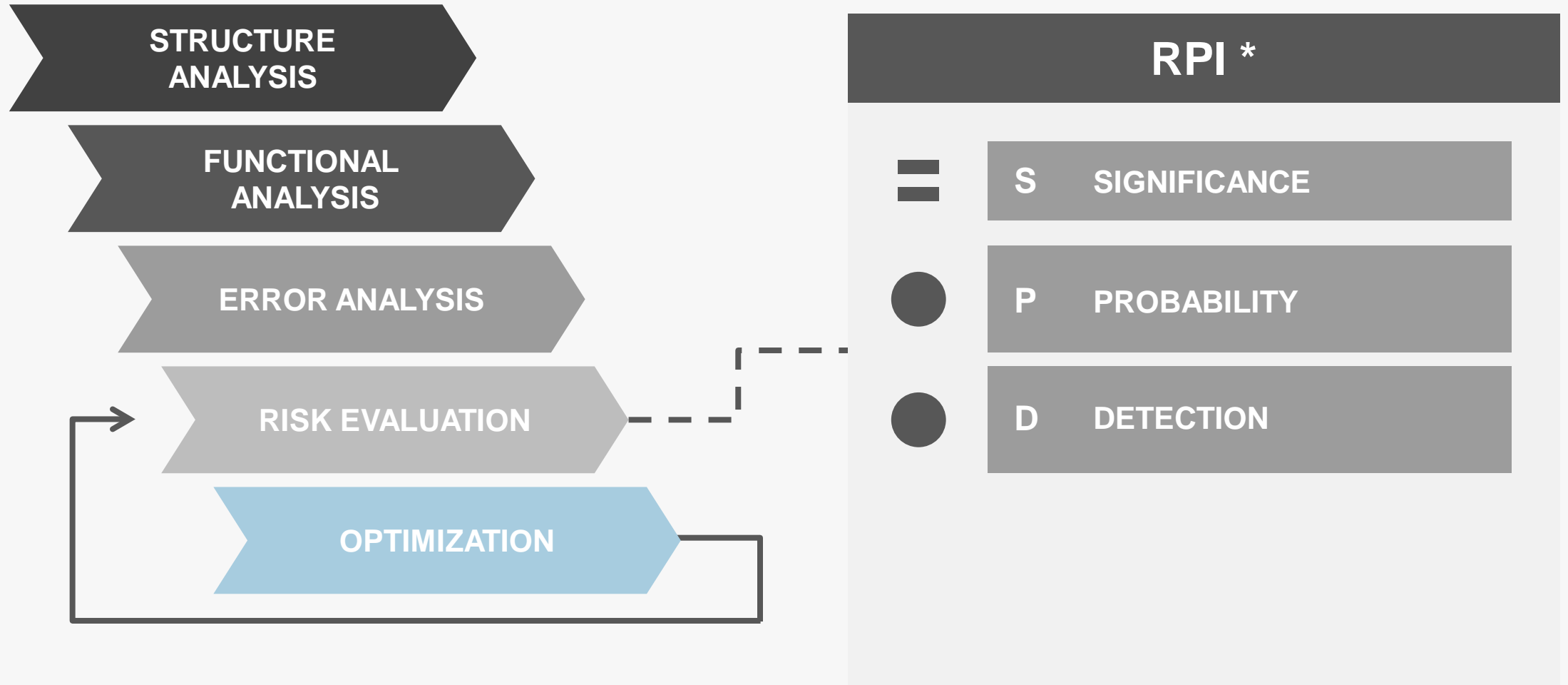


**Designing
processes** In
such a way that
they run
smoothly



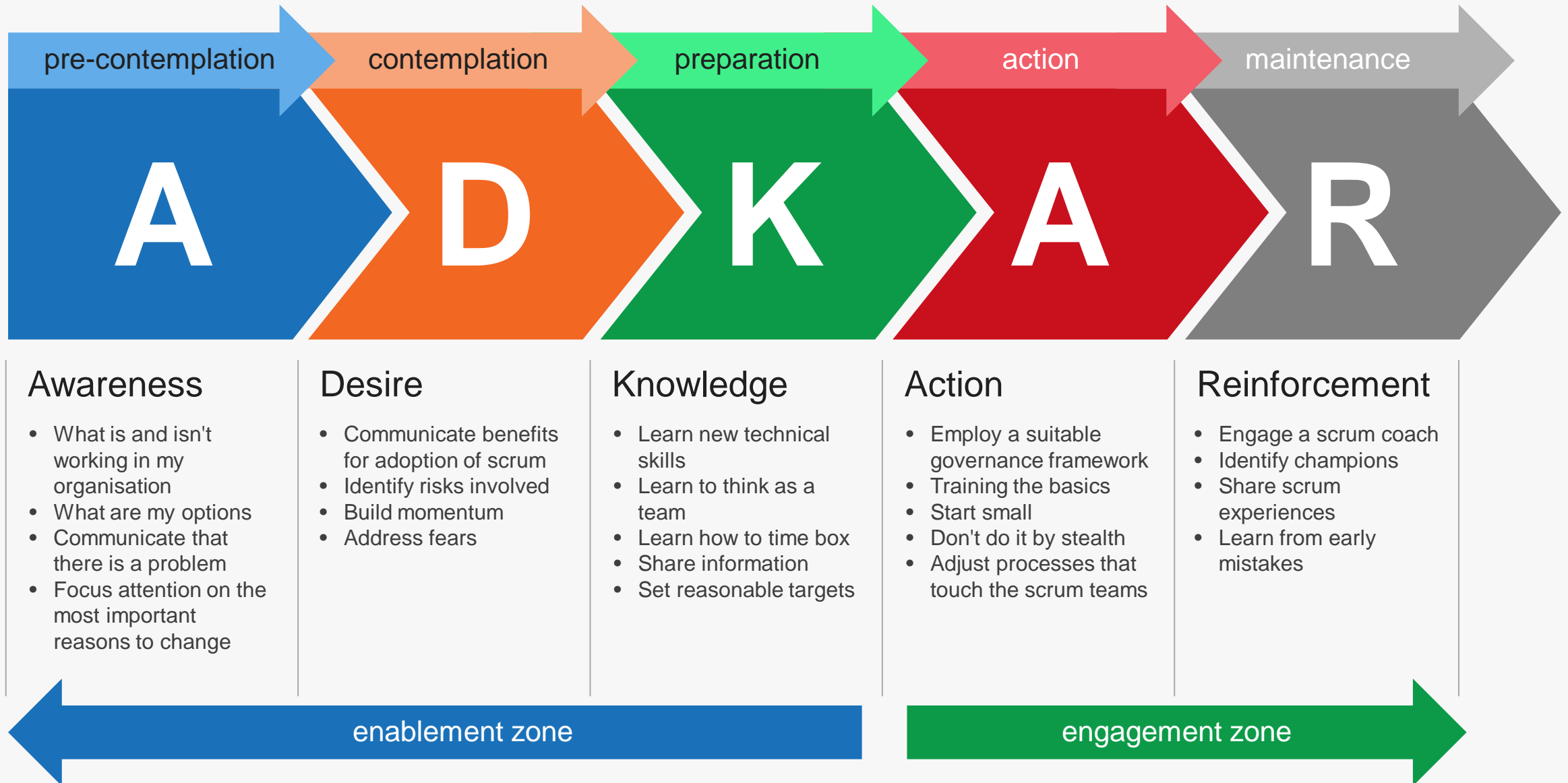
**Avoiding or
decreasing costs**
for quality
control ,
reworking and
error correction

Proceeding In 5 Steps

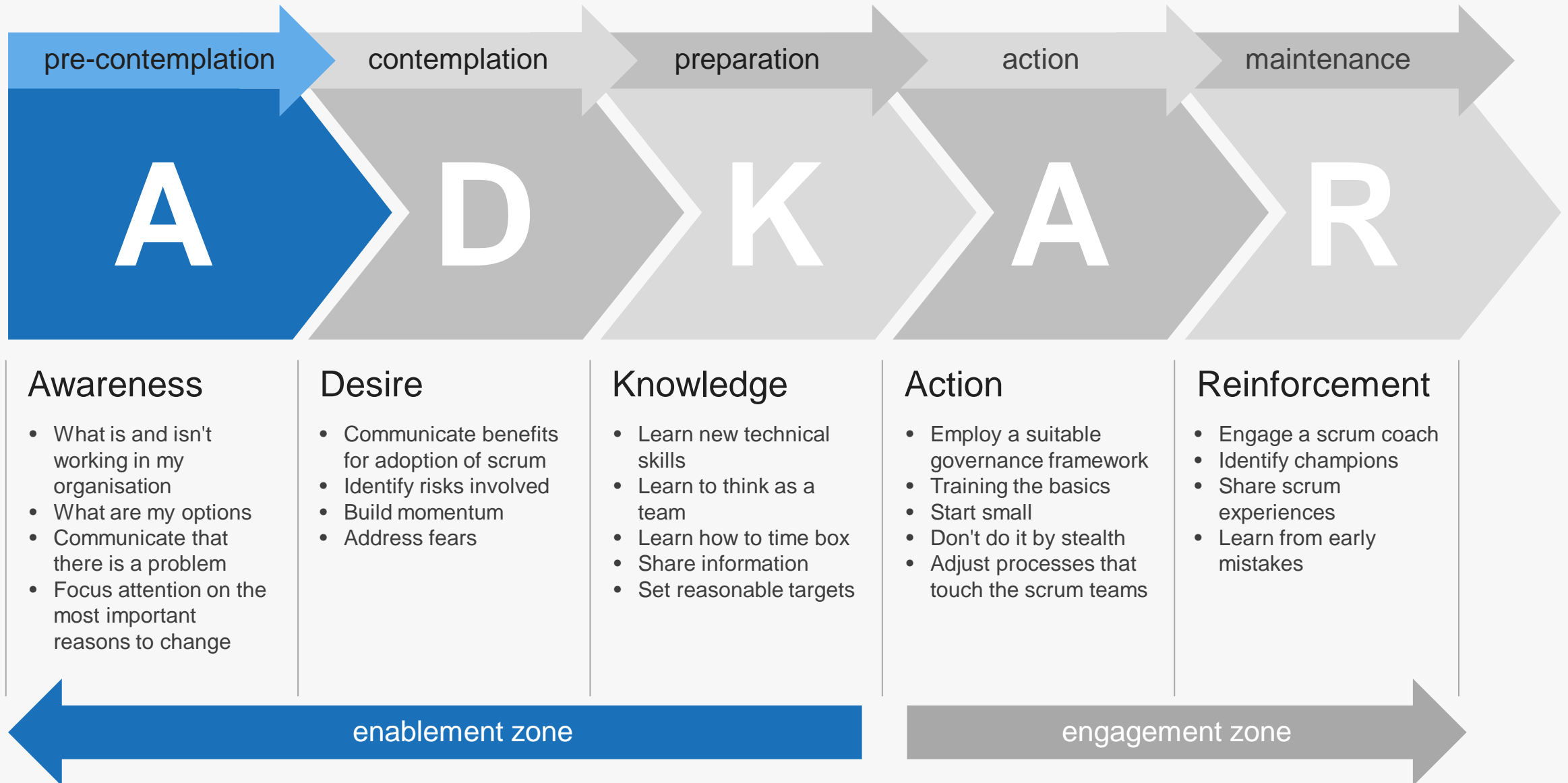


ADKAR

ADKAR Change Management



ADKAR Change Management



ADKAR Change Management



Awareness

- What is and isn't working in my organisation
- What are my options
- Communicate that there is a problem
- Focus attention on the most important reasons to change

Desire

- Communicate benefits for adoption of scrum
- Identify risks involved
- Build momentum
- Address fears

Knowledge

- Learn new technical skills
- Learn to think as a team
- Learn how to time box
- Share information
- Set reasonable targets

Action

- Employ a suitable governance framework
- Training the basics
- Start small
- Don't do it by stealth
- Adjust processes that touch the scrum teams

Reinforcement

- Engage a scrum coach
- Identify champions
- Share scrum experiences
- Learn from early mistakes

enablement zone

engagement zone

ADKAR Change Management



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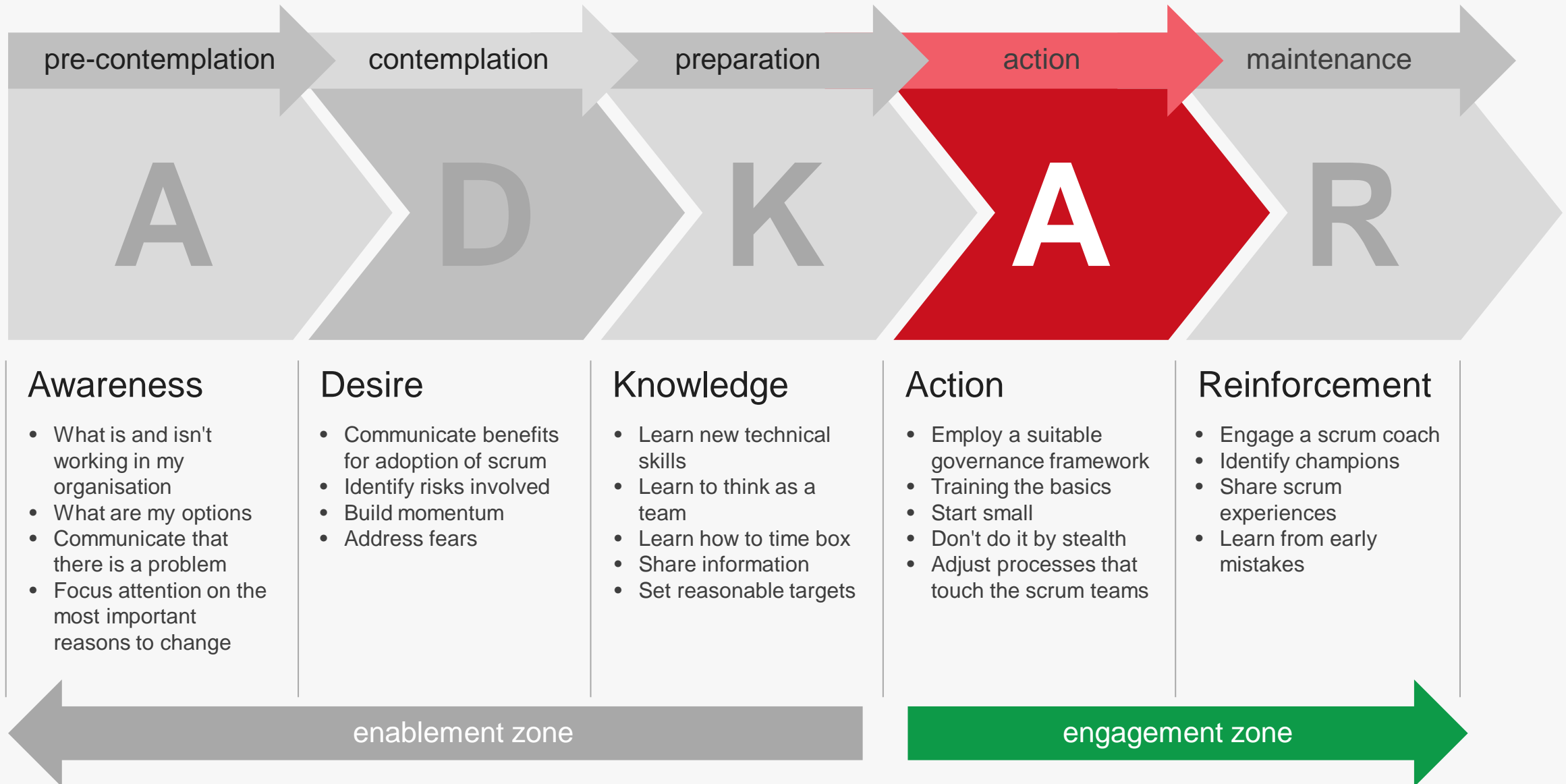
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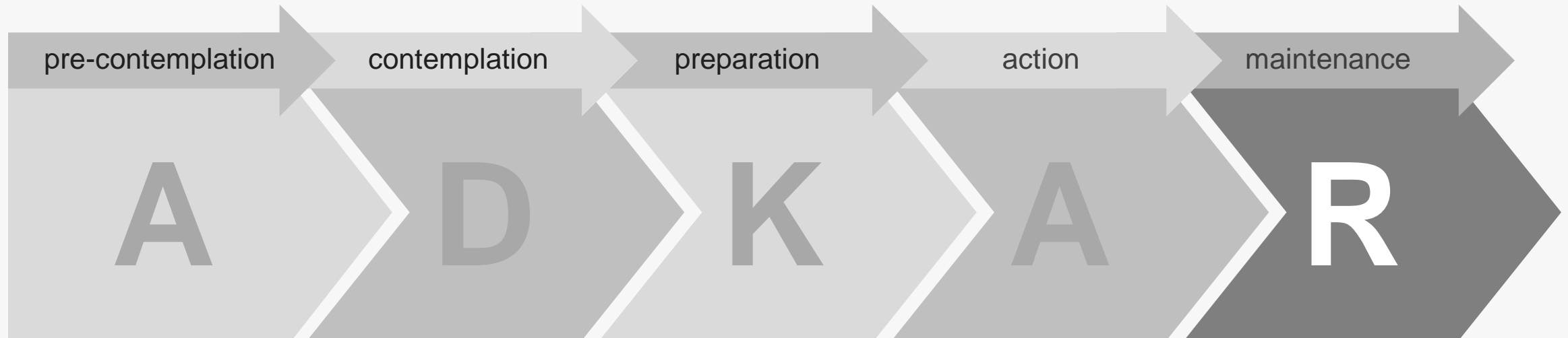
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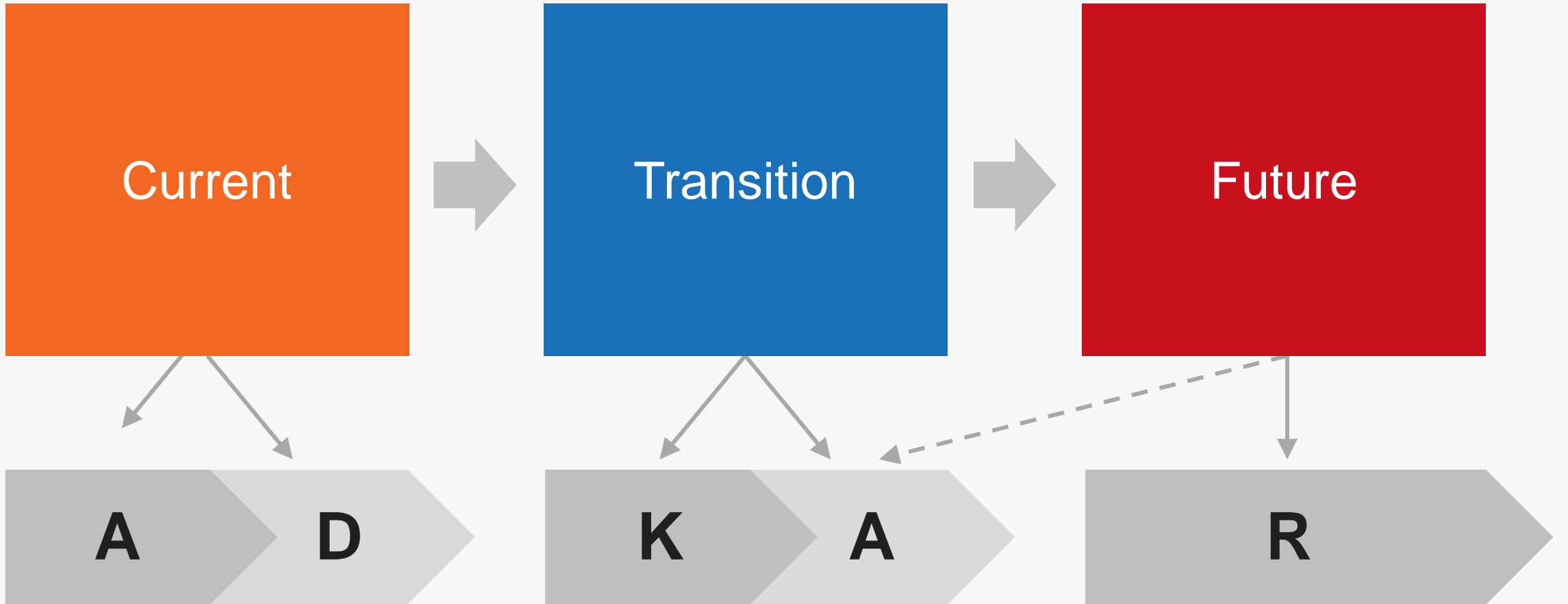
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ADKAR Change Management

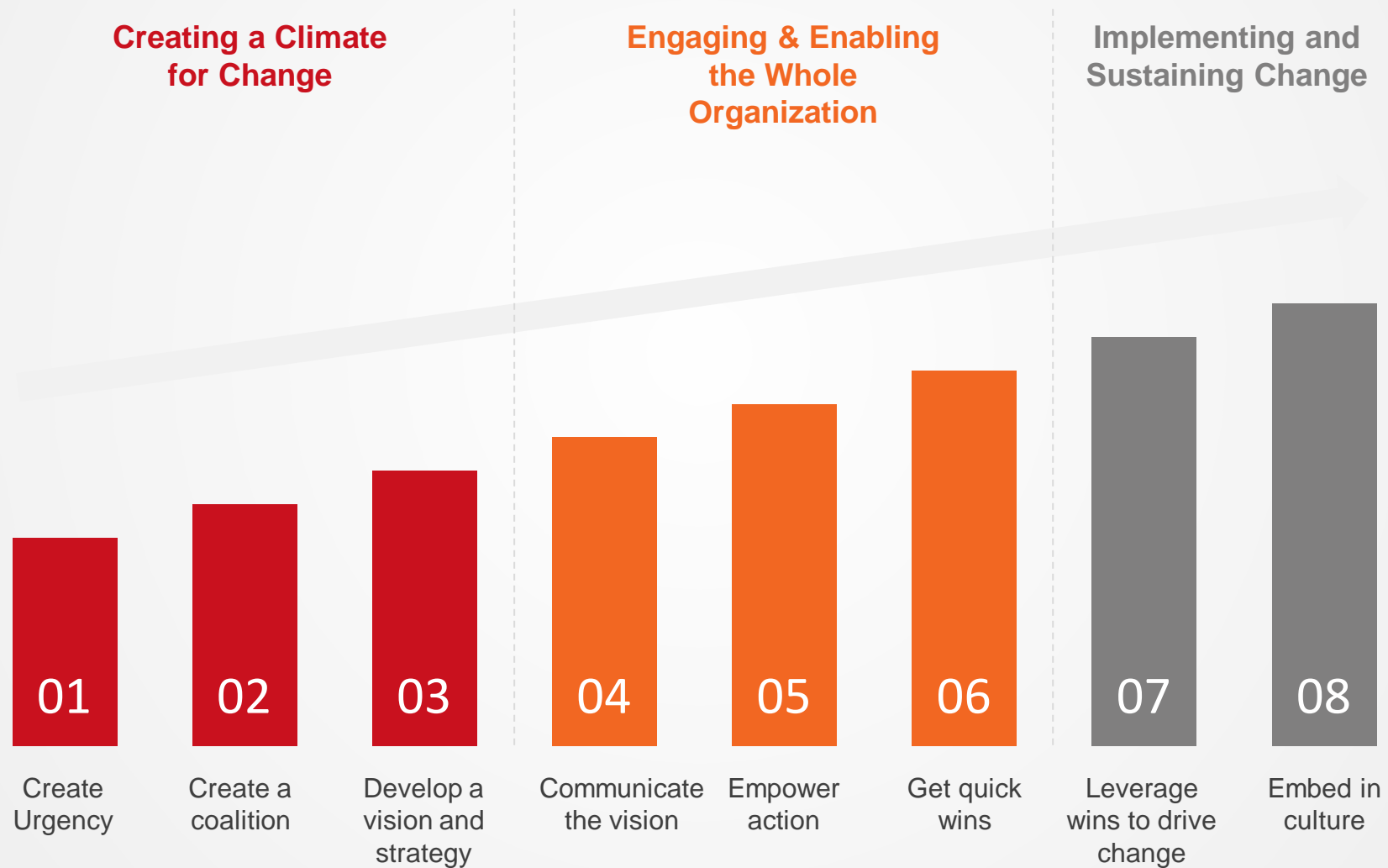


Kotter Change Model

Kotter Contributing Factor to Failure

1. Lack of plan to guide the change
2. Failure to define a clear rationale for change
3. Ignoring culture
4. Weak follow-through by sponsors
5. Not investing resources in the change effort
6. Gaps in change agent skills
7. Haphazard communication
8. Fear of feedback
9. Declaring success too early
10. Neglecting to reinforce change

8 Step Kotter Model of Change



Establish a Sense of Urgency

- Express the need for change
- Show the risks if change does not happen
- Make a good discussion about the importance of change and get people taking and thinking about it
- Get outside perspective to add merit to the need for change

Create the Guiding Coalition

- Put together a group of people to be the leaders of the change
- The group must trust each other and move at the same direction
- Select intelligent and respected people in the organization
- Make sure there are members from different departments

Develop Vision & Strategy

- Determine the key reasons for change
- Develop 2-3 sentence vision statement that explains how you see the future of the organization
- Know how this vision can be executed
- Be able to explain the vision easily

Communicate the Vision

- Talk often about the vision of change
- Openly and honestly address people about their concerns and fears
- Apply your vision to all aspects of the operations
- Lead by example

Empower Actions

- Identify change leaders whose main role is to display the change
- Look at your organizational structure, job descriptions, and performance & compensation systems to ensure they are all inline with your vision
- Recognize and reward people for making the change
- Take actions quickly to remove barriers

Get Quick Wins

- Look for sure-fire projects that can be implemented without any strong critics of the change
- Don't choose early targets that are expensive
- Analyse the potential pros and cons of your target
- Reward the people who help you meet the target

Leverage Wins to Drive Change

- After every win, analyse what went right and what needs improving
- Set goals to continue building on the momentum you've achieved
- Learn about kaizen, the idea of continuous improvement and its application
- Keep ideas fresh by bringing in new change agents and leaders for your change coalition

Embed the New Approach in The Culture

- Talk about progress every chance you get. Tell success stories about the change you have made.
- Include the change ideals and values when hiring and training new staff
- Publicly recognize key members of your original change coalition, and make sure all the contributed staff remembers their contribution
- Create plans to replace change leaders of change as they move on

Case Study

Fitness Centre Customers Check-in

CStation is a fitness centre located in the eastern province of Saudi Arabia. The centre provides different type of classes to different customers. The classes that are provided are (CrossFit, MMA, Weightlifting, Yoga, and Kids Kickboxing). Recently the gym manager analysed the data and realized that many customers walk in without checking-in in the reception. The gym manager has the idea of replacing the reception check in process with an automated check in gate which will enforce the check-in. CStation holds customer satisfaction as a core value. Can you support the gym manager (Mohammed) to execute a successful change by doing the following;

- 1- Conduct stakeholders analysis and management.
- 2- Conduct FMEA on the new potential check in process.
- 3- Prepare a change management strategy using the ADKAR or the Kotter model

This is a group exercise. Ask for any clarification. You have 25 mins to complete the exercise.

Summary

Summary



Do's and Don'ts

DO'S

Spend enough time in the problem definition



Select the high impact projects (80/20)



Always find the WIIFM factor



Link the vision to the processes



Study your stakeholders



DON'TS



Forget to analyze the risks



Start a project with no management buy-in



Skip root cause analysis



Over complicate the workshops



Forget the recognition of the accomplishment

Feedback

Q&A

Thank you 😊