Sustaining change in a changing world

Changes in the workplace are occurring at a faster and faster rate. Rich Weissman looks at how organizations and individuals can keep up the pace

Change in the workplace is undergoing change. In this era of huge mergers and acquisitions, domestic and international outsourcing, rapid technology innovations, an increasing amount of regulatory compliance and constant pressure on financial performance, most organizations are under a tremendous amount of stress. Add the changing nature of the workforce, frequent economic shocks, the shifting face of competitors, and the background of world politics, it is no wonder that organizations are in a constant state of flux.

The US manufacturing sector undoubtedly needs the ability to change in order to remain a world leader, and many organizations are successfully integrating leading edge frameworks such as lean manufacturing and six sigma to help adapt to continually changing business and market conditions. Yet employees and management alike may lose their interest after some initial quick improvements. A revolving door of initiatives may dull the enthusiasm of even the most ardent supporters of workplace change. But without the ability to change, companies and employees alike may be in jeopardy.

Companies can approach change in planned and unplanned modes. A reactionary and fragmented approach to change will lead to uneven results and potential backsliding. Employees responding in a shotgun approach quickly become demoralized and resistant to change, sandbagging old habits and processes that may lead to an organizational death spiral. The organization that needs the ability to change the most may have the least chance to do so. Incorporating planned change into the organization has a better chance of succeeding.

How can companies overcome organizational resistance when by nature they are resistant to change? It is easy to say the ability to change is necessary and important, but just look at all of the personal New Year’s resolutions that are discarded each year. It’s no better in the workplace, and the very mention of change sends a chill through the organization. Change brings with it threats to the individuals and work groups, threats to internal and external relationships, and fear of the unknown. The increase of social and political change on the individual and organization has added an additional layer of complexity that may force some to yearn for the status quo, or to even roll the clock back to a simpler, and perhaps more enjoyable, time. This, of course, is in direct conflict to the current need for change.
“Change really is hard, and a lot of companies avoid change by working on the wrong things,” says Patricia E. Moody, CMC, a supply management and manufacturing consultant and author. “Some companies are risk adverse, so instead of tackling important business issues that need to be addressed, they work on smaller, easier issues that make everyone feel busy without the risk of rocking the boat.” Continued avoidance can harden an organization against change while it drains valuable time and resources. “For example, one multi-national challenged to produce lower price points refuses to tackle basic business issues,” says Moody. “Instead, the company spends several million dollars on Super Bowl TV ads in an attempt to market its way out of a basic strategic challenge.”

Moody describes the current supply management hot button of centralization vs. decentralization as an opportunity to leverage analytics and spend. “It’s an issue that companies avoid, but they shouldn’t. Too many companies don’t want to confront the issues that this kind of change may bring,” says Moody.

“They may work on spot improvements such as supplier development or staff training, but not the really important things that will help their business.” She adds that companies like to feel they are doing some good things, but they may not be the right things.

Moody does see a few organizations aggressively go after change, calling them “change-eaters.” These companies are constantly looking for a gap or opportunity to exploit. Moody identifies 3M and Delphi as two organizations that have done a good job in embracing change in the technical side of the house. “3M is a model for product innovation, and Delphi engineers have no boundaries in introducing innovative designs,” says Moody. “Corporate change-eaters positively impact the organizational culture by improving the potential for change. The spirit of change builds on itself.”

But as the need for continued change increases, many organizations cannot make the cut. “The momentum for maintaining change is a challenge to all organizations and a high percentage of companies fall off of the wagon,” says Bill Schwartz, managing director of business development for Durham, NC-based TBM Consulting Group. “Companies need to stick with it and not fall for the flavor of the month mentality.” Echoing the familiar real estate mantra of the importance of location, Schwartz feels there are three key words when it comes to maintaining momentum for change in the workplace, “management, management, and management.”

“Successful companies such as Maytag, Pella, and Hayward Pools all have a continuity of management,” says Schwartz. “The key management teams have been with their companies for five or 10 years, or more.” Schwartz also feels that this management team also needs to envision success and play a strong leadership role in helping their organizations to reach their goals. “Management needs to put a stake at the top of the hill and drive their organizations towards it. They need to be visionaries,” adds Schwartz. Schwartz also stresses the importance of metrics in maintaining the spirit of change in the workplace. “While management leadership is critical, change also needs to be metrics...”
driven,” says Schwartz. “We stress the importance of creating a future state value stream map and measuring performance against those established goals.” He adds that organizational goals need to be aligned and visible. “It is especially critical to make goals and progress against those goals available on the shop floor. Simple white boards work well for that.”

Change in the workplace comes with a human cost as well, and while strong leadership is important, the individual worker may be resistant for any number of reasons. “I think employees across the board are tired,” says Christiane Loup, executive director of the Purchasing Management Association of Boston, a Concord, MA-based association of purchasing and supply management professionals, and an affiliate of the Institute for Supply Management. “I see a lot of frustration among our members and also witness first hand the concept of ‘what’s old is new again.’ They are constantly being asked to change direction and try different, but not necessarily new, things.”

Loup has led the organization for the past 20 years and has seen the profession, the membership, and the business climate continually change. “The association, while still strong and vibrant, has transformed from a social organization into an educational organization to support the changing needs of our members,” says Loup. “We need to continually adapt to the needs of our members. I’d say that we are in a constant mode of change, from how we service our membership to determining what tools our members need to maintain their value in the workplace.

“The business climate and company makeup in the Boston area has changed considerably since this association began 100 years ago,” says Loup. Many of the large old line industrial companies have given way to smaller technology companies, financial services companies, and medical technology companies. “The profile of the supply management professionals who support these companies has changed as well.” Loup adds that the membership is seeking an edge in the workplace, be it from increased education, networking, or benchmarking best practices. “We have transformed into primarily an educational association, but with networking and social opportunities, that allow us to effectively share knowledge among the membership.”

Loup sees change related pressures on the workforce coming from two directions. “Many organizations have pretty much had their run of lowering costs by outsourcing, layoffs, and squeezing suppliers, and these events tend to demoralize employees,” says Loup. “Yet, change resulting from increasing efficiencies seems to energize and empower employees, allowing them to use their creativity and passion.” Loup sees technology playing a large role in this process, with those willing to learn new technologies seemingly more willing to adapt to changes in the workplace than those who don’t. Adds Loup: “If employees are excited, they are more willing to embrace change, and that change may be successful.”

There are some methods to overcome resistance to change. Consistent education and communication will help allow employees to see the logic of the necessary changes in the workplace. Communicating the “why” is often as important as communicating the
Participation is also important, as those who are part of the process tend to take ownership. It is not as easy to criticize something if you play an active role. Negotiation also helps. Some resistance to change may be contract related, and those in bargaining positions need to look at the big picture of long term business survival. Internal negotiations may also be needed to appease employees who may be inadvertent victims of change. Companies may also be forced to take more drastic efforts to effect change, including punitive measures against employees. A last resort perhaps, but often business survival is on the line.

“The only constant in work is change” and “change or die” are certainly clichés, but unfortunately they are accurate. Organizations must respond to changing business conditions, threats, and opportunities. Overcoming resistance to change is the key, and the challenge for all employees and managers is to do everything that is necessary to overcome such organizational and personal inertia.