Lean Would Be Easy if It Weren’t for the People
Have you ever had a Lean improvement that...
Lean is a Journey

Lean requires lots of people to change
More Complex
More Multi-Disciplinary
Consistency
Predictability
Control

Autonomy
Accountability
Empowerment
What comes to mind when you think of change management?
How Most People React to Change
Success of Your Lean Improvements Depends on the People Side of Change
The achievements of an organization are the results of the combined effort of each individual.

- Vince Lombardi
Sometimes, we lose people during the transition
And lose even more when we get to the future state
And our future state looks **nothing**
like the future state we expected
= lower ROI
= less benefit realization
= unachieved improvement
= greater frustration
Mind The Gap

Your Lean transformation

The perfect value stream map

A great kaizen event

ADOPTION AND USAGE OF THE SOLUTION

Results and outcomes

Improved flow

Sustained improvement
Successful Change Requires Both the Technical and People Sides

Technical side

Current  Transition  Future

People side

Design  Develop  Deliver

Embrace  Adopt  Use

Installation*  Results  Outcomes  Success  Realization*

Success = Installation* + Results = Outcomes = Success = Realization*

* Daryl Conner

Prosci
Percent of Study Participants Who Met or Exceeded Project Objectives

<table>
<thead>
<tr>
<th>Change Management Effectiveness</th>
<th>Poor (n=244)</th>
<th>Fair (n=653)</th>
<th>Good (n=834)</th>
<th>Excellent (n=165)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16%</td>
<td>46%</td>
<td>77%</td>
<td>96%</td>
<td></td>
</tr>
</tbody>
</table>

Prosci 2014 Benchmarking Data

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Percent of Study Participants Who Were On or Ahead of Schedule

Prosci 2014 Benchmarking Data
Percent of Study Participants Who Were On or Ahead of Budget

Change Management Effectiveness

Prosci 2014 Benchmarking Data
An email on Monday for training on Tuesday for “go live” on Wednesday is **NOT** the way to prepare and equip individuals to successfully change.
Aspects of a person’s job you can impact

- Processes
- Systems
- Tools
- Job roles
- Critical behaviors
- Mindset/Attitudes/Beliefs
- Reporting structure
- Performance reviews
- Compensation
- Location

Equipping and supporting these individual changes is how results are realized.
How does this individual make a successful personal change?
Prosci® ADKAR® Model

A - Awareness
Of the need for change

D - Desire
To participate and support the change

K - Knowledge
On how to change

A - Ability
To implement required skills and behaviors

R - Reinforcement
To sustain the change
<table>
<thead>
<tr>
<th>Benefits</th>
<th>Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational</strong></td>
<td></td>
</tr>
<tr>
<td>• Outcomes of the change</td>
<td>• The risks of not changing</td>
</tr>
<tr>
<td><strong>Individual</strong></td>
<td></td>
</tr>
<tr>
<td>• What you gain from buying-in and succeeding</td>
<td>• What you risk by opting out</td>
</tr>
<tr>
<td>Role</td>
<td>Business messages</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td><strong>CEO/President</strong></td>
<td>40%</td>
</tr>
<tr>
<td><strong>Executive manager</strong></td>
<td>29%</td>
</tr>
<tr>
<td><strong>Senior manager</strong></td>
<td>12%</td>
</tr>
<tr>
<td><strong>Department head</strong></td>
<td>7%</td>
</tr>
<tr>
<td><strong>The employee's supervisor</strong></td>
<td>12%</td>
</tr>
<tr>
<td><strong>Communication specialist</strong></td>
<td>4%</td>
</tr>
<tr>
<td><strong>Human Resources representative</strong></td>
<td>4%</td>
</tr>
<tr>
<td><strong>Project team member</strong></td>
<td>1%</td>
</tr>
<tr>
<td><strong>Project team leader</strong></td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Change management team member</strong></td>
<td>2.2%</td>
</tr>
<tr>
<td><strong>Change management team leader</strong></td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>3.2%</td>
</tr>
</tbody>
</table>

Prosci® ADKAR® Model

- **Awareness**
  “I understand why…”

- **Desire**
  “I have decided to…”

- **Knowledge**
  “I know how to…”

- **Ability**
  “I am able to…”

- **Reinforcement**
  “I will continue to…”
A Real Life Example

Same Change, Different Desires
ADKAR Helps Us Frame Change

Change with one person

Or five people...

Or twenty people...

Or 1000 people...
Not Everyone Changes at the Same Pace

<table>
<thead>
<tr>
<th>Person</th>
<th>A</th>
<th>D</th>
<th>K</th>
<th>A</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person B</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person C</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person F</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person G</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person H</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Individual Change Management

<table>
<thead>
<tr>
<th>Awareness</th>
<th>Why is the change needed?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Why now?</td>
</tr>
<tr>
<td></td>
<td>What if we don’t?</td>
</tr>
<tr>
<td>Desire</td>
<td>Personal motivators</td>
</tr>
<tr>
<td></td>
<td>Organizational motivators</td>
</tr>
<tr>
<td></td>
<td>Inhibitors</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Needed skills and competencies</td>
</tr>
<tr>
<td>Ability</td>
<td>Demonstrated capability</td>
</tr>
<tr>
<td></td>
<td>Overcoming barriers</td>
</tr>
<tr>
<td>Reinforcement</td>
<td>Mechanisms, Rewards, Celebrations, Measurement</td>
</tr>
</tbody>
</table>

**Executive Sponsor**

**Direct Manager**

**Our Default?**
Which ADKAR milestone is the most challenging in your organization?

- Awareness: 10
- Desire: 43
- Knowledge: 12
- Ability: 5
- Reinforcement: 12
Organizational Change Management Levers

Phase 1 - Preparing for change
- Define your change management strategy
- Prepare your change management team
- Develop your sponsorship model

Phase 2 - Managing change
- Develop change management plans
- Take action and implement plans

Phase 3 - Reinforcing change™
- Collect and analyze feedback
- Diagnose gaps and manage resistance
- Implement corrective actions and celebrate successes

Sponsorship
Communication
Training
Coaching
Resistance Management
Change Management Activities
Drive Individual Milestones

**Individual:**
- Awareness
- Desire
- Knowledge
- Ability
- Reinforcement

**Organizational:**
- Communication plan
- Sponsor roadmap
- Coaching plan
- Training plan
- Resistance Mgmt
What Can We Do To Drive and Support Individual Transitions?

General Project Lifecycle

Initiate Plan Design Develop Deploy

Kick off Major events “Go Live”

Phase 1: Preparing for Change
- Strategy

Phase 2: Managing Change
- Plans

Phase 3: Reinforcing Change
- Measures

Prosci® 3-Phase Process

ADKAR® Model

Individual Change Journey Milestones

Prosci® ADKAR® Model

Organizational Change Mgmt Activities

Prosci® 3-Phase Process
Sponsor Effectiveness Directly Correlates to Project Success

Correlation of sponsor effectiveness to meeting objectives


<table>
<thead>
<tr>
<th>Sponsor Effectiveness</th>
<th>Percent of respondents that met or exceeded objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very ineffective sponsor</td>
<td>25%</td>
</tr>
<tr>
<td>Ineffective sponsor</td>
<td>34%</td>
</tr>
<tr>
<td>Moderately effective sponsor</td>
<td>67%</td>
</tr>
<tr>
<td>Extremely effective sponsor</td>
<td>85%</td>
</tr>
</tbody>
</table>
How **People Managers**
Drive Adoption and Usage

- Proximity
- Relationship
- Trust
- Operational Knowledge
Five Roles of People Managers

1) Communicator
2) Advocate
3) Coach
4) Resistance Manager
5) Liaison

Effective
Ineffective
7 Top Contributors to Success

The Goal:
Employee adoption and usage

First Degree Contributors
- Sponsorship
- Communications
- Middle Management Engagement
- Employee Engagement

Second Degree Contributors
- Change Management Approach
- Change Management Resources
- Integrating with PM
Take the Chance Out of Your Lean Improvement Efforts
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