

## “The managers are more focused and the projects are being implemented...”

The General Manager reflected on the senior management planning workshop which had kicked off a three months organizational change program. It had been an intensive three day meeting which brought together 14 managers, both Chinese and German, to think through the corporate vision and define the organizational change strategy. *“I’ve experienced activities like this in Europe, but I did not know we could do this in China, particularly getting everyone to share their ideas. It will really change the way we work.”*

## Shifting into High Gear in China

by Mark Pixley CPF

### Something has to change...

The company is a German automotive parts manufacturer with a production facility in China. This plant was established to take advantage of opportunities to supply the expanding automotive industry in China. The company produces specialized parts called synchro rings to allow smooth shifting between gears. Over the last ten years, the company expanded from supplying a single German customer to being a major supplier to both international and Chinese automotive manufacturers.

The organization has been going through a challenging period where the expansion has impacted both product quality and on-time delivery, and the management team has disagreed about how to handle growth and keep themselves aligned.



A recent restructuring program which sought to formalize the logistics, manufacturing, technology and quality roles did not have the desired impact and increased internal management issues regarding clarity of responsibilities, mistakes/quality issues and employee complaints. There was a sense of frustration developing between managers who wanted to return to the old ways of operating and those demanding further expansion.

### **What can you do to help us...?**

The initial request was to provide consulting on building the management system, particularly in developing departmental performance indicators (KPI's) and job descriptions, which were seen as was to control the disagreements and confusion between departments. The hope was that we would take a system that worked elsewhere and implement it in their organization.

As we talked further, we explained that our process was less about telling them what to do, but more about facilitating their change process. This would likely involved meeting with the management team and other colleagues to explore their situation, defining organizational objectives and designing change strategies. The assumption would be that they understood their situation and would be able to create appropriate and implementable solutions to their challenges.

By the close of the meeting, the general manager said *"This is what I have been looking for... We will come up with our own solutions and we will learn by doing it."*

### **A layered meeting process...**

As we worked through the design of the organization intervention, it became apparent that there were several layers of the organization what we wanted to involve. The intervention was designed as a series of planning meetings which would progressively involve more of the organization.

The first meeting would involve a three day off-site strategic planning workshop with the core management team responsible for the China operation and included three German managers (including the general manager.) This workshop would allow the team to develop a vision for the coming years and create action strategies to be undertaken.

The second round meeting would involve all managers and supervisory personnel, and guided by the core management team. This would be a full day coordination

meeting which reviewed the strategic planning results and developed practical approaches to implement the action strategies.

The third round would be a one day expansion meeting to involve everyone in the company, including all the production workers and support staff. They would have an opportunity to learn about the company and its key directions, and be invited to provide their feedback and insights. This would involve over three hundred participants during three shifts joining and contributing to the meeting.

### **A deep understanding...**

The three day retreat started out with self-introductions, an opportunity for each manager to tell about their strengths. As the managers learned something new about each other and laughed with each other, they started build relationships.

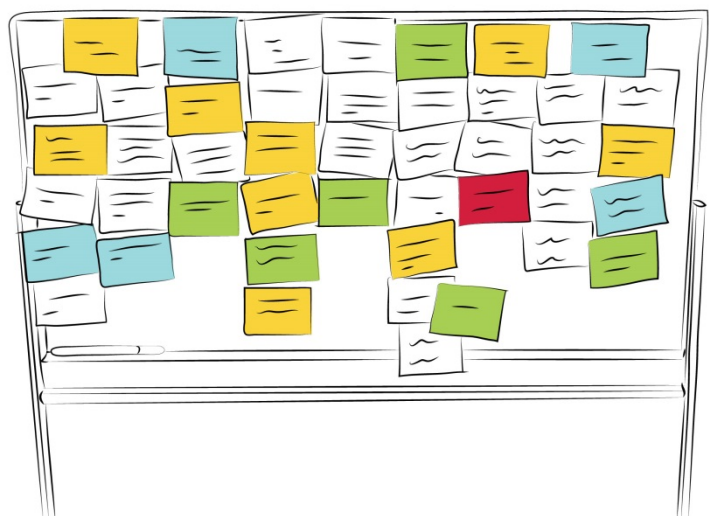
The historical review brought up stories about the early days of the organization, like the factory without heating, and their successes, like the first local order. Together they learned about how the organization developed.

The room was set with four tables set facing each other, so that the participants would talk with each other, rather than talking to the facilitator.

Step by step, the group worked through developing a common vision, identifying challenges that they were facing, and defining the strategic actions which could be undertaken. The results for each of these steps were place on the wall so that the group could track their developing consensus.

By the third day, the group was ready to commit to action and four functional implementation teams were created:

- The 'Gold Miners' responsible for Performance Indicators;
- The 'Polaris' responsible for Common Company Values;
- The 'Problem Terminators' responsible for Communication, and
- The 'Simplifiers' responsible for Sharing and Explaining Procedures.



A sense of expectation and anticipation had developed within the group as they realized that they could take responsibility for how they dealt with their challenges. As the managers reflected back on the three days, several were amazed by the results which had been created, this was the first time that they had co-created the plan for the coming period, and others noticed how they learned so much more about each other and how to work with each other.

### **A broader involvement...**

This was just a beginning of the three month process. The cross-functional implementation teams started meeting on a regular basis creating action projects. During feedback sessions, they would explain how their projects were progressing and coordinate with other teams.

The coordination meeting was an opportunity for the core management team to share the company's change plan with other managers and supervisory personal and welcome them to contribute their ideas and support for the action strategies.

The expansion meeting, designed like a Christmas fair in Germany, involved a series of activity booths which participants could go to in any order according to their curiosity and interest. The managers had identified five major themes: execution, responsibility, quality, culture and efficiency, and theme teams developed creative ways to introduce these topics and invite input from the workers. Other booths were created including a corporate video introduction and a German food booth.

### **Holding the space so that others can work better**

The organization change program has had a significant impact on the internal communication and goal setting processes within the management group. Cross functional teams have been established to drive forward the various initiatives and these are showing results, despite of the challenge of ongoing business. A unique aspect of the program has been its expansive nature which has helped share the corporate culture with the local staff and welcomed new voices into the conversation.

The series of meeting which have been held over the three months has worked for the organization much as their parts work for a gear shift... it has help hold the management team in alignment and allow for more smooth shifting through the change process.