

# Disarming *the dissidents*

*Changing people's attitudes and the culture of a business are some of the biggest obstacles to lean transformation. Malcolm Wheatley discovers how to quench the firefighting ethos*

**M**anchester-based Harland Machine Systems designs and manufactures labelling machinery for a range of customers as diverse as L'Oréal, Castrol, Unilever and Glaxo-SmithKline. Five years ago, faced with growing cost, price and time pressures the company realised that its profitability could be jeopardised if it didn't make changes – not only to its manufacturing operations but also to its supply chain. “Rates don't go down, inflation doesn't go down, even raw materials don't drop that much. It's only by improving efficiencies that you can cut your costs,” explains operations director John Collins.

A company-wide project to create a leaner and more profitable manufacturing process,

spearheaded by The Manufacturing Institute in its capacity as regional Manufacturing Advisory Service provider, has achieved an impressive transformation. Lead times have reduced by up to 40 per cent, productivity has increased by 25 per cent, internal and supply chain efficiencies have resulted in up to a 30 per cent cost saving on key product lines. And the business now runs with 25 per cent less manpower while maintaining similar output levels.

Yet most impressive of all are not in fact the metrics that delineate the scale of the improvement. Instead, it's the fact that the starting point was about as unpromising a piece of ground in which to plant the seeds of a lean transformation

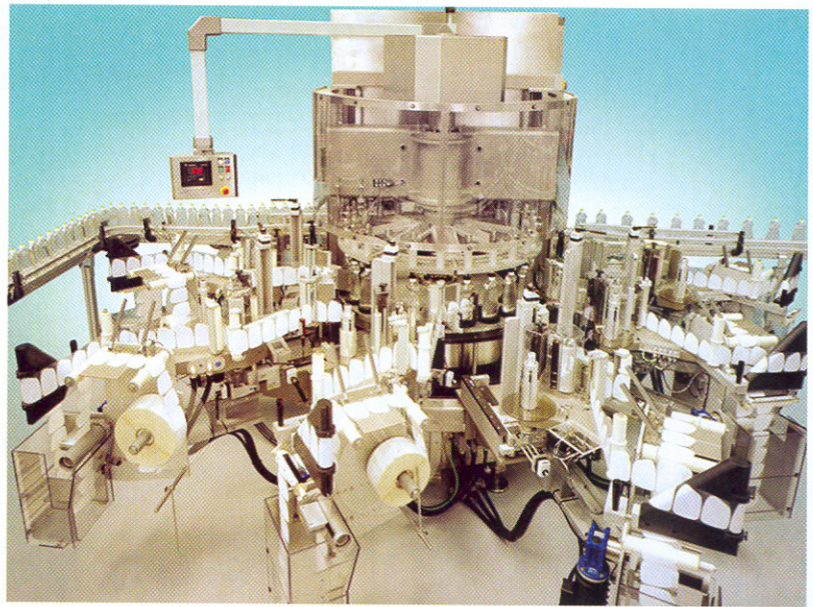
as it's possible to find. Harland, by its own recognition, was a traditional organisation with a heavy management structure and demarcated areas of operation. Yet for lean principles to work in the business, it had to find a way of both breaking down existing departmental barriers and also monitoring and managing progress against the new priorities and processes.

It's a dilemma that underscores the hidden challenge faced by almost any manufacturer looking at adopting or extending lean manufacturing within the business. For lean to be successful, people within the business have to buy-in to a wholly different way of working: identifying problems, and figuring out long term approaches that eliminate not just the symptom, but the root causes.

Worse, going lean is not only a change to the status quo, and therefore one that people will inevitably resist and resent, but also a move away from a mode of working that in many manufacturers is regarded as normal. Firefighting the day-to-day difficulties encountered on the factory floor – or in administrative functions, for that matter – is always going to be more stimulating than presiding over a process which is controlled and stable. How, in short, can manufacturers best deal with the 'human side' of lean?

At Harland, says Stuart Mitton, lead practitioner at the Manufacturing Institute and the consultant most closely associated with the project, addressing the human side of lean involved a willingness to tackle the organisational structure of the business. As well as building better 'information bridges' between departments that needed to communicate more effectively, this involved also removing layers of management that served as a barrier to free communication and rapid decision making. "Flatter and more flexible organisations are simply better at making lean work," says Mitton. "There's less to get in the way."

The company used to have six directors, for example, now there are just two. There used to be 14 managers; now there are eight with the majority being directly customer-focused. And the supervisory role has been abolished. "Initially, we experimented with three team leaders and a supervisor," says Collins. "It wasn't working so we got rid of the supervisory position and left the team leaders to work autonomously with the production manager." The approach has paid dividends, with team leaders solving problems as they occur, rather than waiting for management to do the thinking for them.



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But it's precisely such wholesale change that worries people, leading them to resist the process and seek to impede it. Understanding employee reaction to the change that lean can bring can help manufacturers implement it more effectively, argues Sandra Buckley, principal consultant at Reading-based Berkshire Consultancy, which specialises in handling organisational change. "The 'change curve' that employees go through in such circumstances is very similar to how people typically respond to bereavement," she notes. "They go through a quite predictable cycle: shock, denial, anger, guilt, depression, and then acceptance, after which progress can be made."

And such emotions affect the whole organisation – even those tasked with implementing change, adds Jeff Patton, Brussels-based head of capabilities at global management consultants Celerant, which specialises in lean-led manufacturing improvement initiatives. According to Patton, manufacturers implementing lean go through a quite specific 'emotional journey' of roller-coaster highs and lows with different layers of the organisation experiencing them at different points.

Among the leadership group, for example, emotions dip soon after the project is instigated, as the weaknesses of the previous approach

**Above**  
The Enterprise system from Harland Machine Systems

