Thinking Correctly Under Pressure

How do you prepare for tough choices in achieving operational excellence?

Martin Wing,
European Regional Managing Director,
Kepner-Tregoe
Aspiring to be the very best one can ever be requires some sacrifices. As Olympic athletes prepare to compete in the next global sporting extravaganza they all have three things in common:

1. They all want to achieve the very best they can, be top of the pile, beat the competition
2. They are all making tough choices about how they spend their time, where they focus their energy and what tactics they deploy in preparation and participation
3. They are all seeking specialist advice and coaching every step of the way

Olympic athletes focus on excelling for a particular period of time - a week, a day, or 9.8 seconds. There is enormous pressure whilst they compete, sometimes denying them the very time to think. It becomes instinct. But only because they have trained for all eventualities does the instinct kick in. The focus, the routines, utilising those finely tuned skills ... all is pre-prepared. Then afterwards they relax, safe in the knowledge that they did everything they could. Then, motivation permitting, they start all over again.

In business we don’t have the luxury to relax. The competition doesn’t stop performing at the end of the week - or the end of the race. There is no finishing line because someone keeps moving it!

"Achieving Operational Excellence has been described as a project to refurbish an Airbus A380 whilst flying at 30,000 feet. How can you deal with that pressure?"

We can’t let performance drop whilst we make some improvements. In business we have to compete all the time, we have to prepare whilst we compete, we don’t always see the competition but we know they are there when we lose the order. Achieving Operational Excellence brings new pressures within normal operations. If people and organisations are not prepared for these pressures then they tend to under-perform, just like some of those athletes who don’t quite make the grade.

To help in relieving this pressure, outlined here are eight tough initial and re-occurring choices that need to be made to achieve Operational Excellence. These eight questions are devolved from work done by Alan Brache (Author of ‘How Organisations Work’) and the application of these concepts by Kepner-Tregoe in a manufacturing environment for over 50 years. Balancing these choices whilst continuing to fly the aeroplane means the pressure can be managed. The key is thinking clearly. Effective decisive action is always preceded by clear thinking. However some people and some organisations need more coaching and support in order to do this than others, it just all depends where you currently are, what capabilities you currently have and what rewards you want to go and win.

The following sections explore eight tough choices, using various client examples to illustrate the importance and return for thinking correctly under operational pressure and delivering stunning improvements.
ONE: **What do we want to achieve in our operational excellence journey?**

*What is our goal? What is our currently targeted end result?*

We have to ensure the whole organisation understands the goal we are aiming to achieve so all the resources can get aligned behind this common purpose. Once people are aligned, it is amazing what can be achieved. It does not have to be complicated, indeed, it needs to be simple so that people can easily relate to it and the part they will play.

A manufacturing supplier to the rail transportation industry had a cycle time from components available to finished product of **80 days**. Over a period of five years this has been reduced to **8 days**. The facility and the people have been through an amazing transformation. They have removed waste throughout the conversion process and completely re-thought their approach to design, engineering and supply chain management. Yet they had to start with a goal. Their target is now **5 days**. Unthinkable from where they were five years ago, yet today everyone is behind the goal and believes they can achieve what was once thought to be impossible.

TWO: **How will we engage and sustain the involvement of the leadership team?**

Engaging with anyone on a five year transformation journey to achieve what operational excellence means for you, requires an enormous amount of trust and respect amongst the leadership team. Trust that people can do what they say they can do and respect for how they go about it. This trust and respect allows people to believe.

There also has to be some stability and alignment to keep the senior team focused – the goal of course works well – coupled with an understanding of what is in it for them; the kudos, the financial return, the experience or the feeling of self worth.

Whatever these individual consequences or incentives, people in that leadership team should know what motivates and also rewards the individuals they rely on to help the team succeed. Otherwise how will you know the best way to help them or vice versa.

The CEO of a telecommunications organisation which was planning a £1bn acquisition had established a senior team that was a who’s who from the previous companies he had worked with. These people trust, respect and believe in him and will follow him. They have all experienced success in their own right, they are all aligned on how they are going to change the business model. They are all in there for the long haul because they trust, respect and believe in one another.
THREE: How will we scope the business process value stream and what are our priorities?

Prioritisation is not a new phenomenon. Of course we all get it. Do the things that have the biggest impact on the business, don’t just focus on those things which are urgent today.

It is not difficult if you are an automotive electronic component supplier who was spending more than €1m on premium air freight to realise that something is not working as well as you would like it to. However in order to remove this symptom of poor performance there has to be an understanding of what the contributing factors and the causes actually are. Yet we can’t change everything and we still have to keep this plane in the skies.

Providing a focus and scope for a business process value stream analysis is imperative.

Just the simple scoping exercise can focus the mind and have people delivering the most effective solution. Know your boundaries; the end result and the inputs. You have to start with these points before working out how things get done and at what cost.

FOUR: How effectively will we measure success?

We work with the agricultural division of a large company in Africa. They understand that the measurement of business results, whilst important, is not the only measure of change. Results may not come for a considerable amount of time. Therefore identifying leading indicators of change becomes of primary importance – identifying those behaviours which they believe will contribute to the longer term success of the business. Therefore, with each change project they undertake stakeholder assessments every month to understand if the behaviours of their project team members are appropriate – to ‘role model’ the changes they are championing. This simple model sums it up very nicely.

Increasing focus of management

Increasing focus of leadership

To lead effective change, focus your measurements of success on behaviours, attitudes, skills and knowledge which directly support the activities you know directly support the results of the business. If all we do is manage the results, it is very difficult to correct or coach the underlying behaviours, attitudes, skills and knowledge when we don’t get the results we are looking for.
FIVE: **What capabilities do we need to acquire or develop?**

We work with various national operations of an international drinks bottler. They invest heavily in developing the right skills, but you can’t train everybody in everything and it takes time for new skills to be adopted. They use internally trained facilitators so that people can learn in a work situation rather than sending everyone into the classroom.

*Closing a line down for 16 weeks is a decision that should not be taken lightly, but without accurate data and thorough analysis that is what can happen.*

If people don’t understand the details of all the functions or disciplines then we need problem solvers who have a robust system to gather, sort, organise, filter and analyse the data and knowledge relevant to their situation.

*Having problem solving facilitators dramatically reduces the time it takes from problem identification to final resolution in these data rich, information poor situations we find ourselves in nowadays.*

What has taken 16 weeks previously in some bottler facilities will take a fraction of the time going forward.

Skills need to be developed in the work place in an environment which is directly relevant to the learner. They are then not far away from their operational responsibilities yet also developing skills that will nurture their future development. Big breakdowns fortunately do not happen all the time but when they do we need to get to the root cause as well as returning the assets to an operational state.

SIX: **How can we organise ourselves so that everyone is clear on what their roles are?**

There are going to be roles that do not have clear definition. The people who are driving change have to be able to deal with ambiguity, as the very nature of striving for operational excellence means that peoples’ jobs and roles will evolve. It is so often in work on organisational design that it is the option that is the least worst that people go for. Ultimately we have to focus on what we want to achieve individually and collectively. Yes people want clear roles, yet they also strive for effective teamwork and collective responsibilities.

*Whichever way an organisation goes the thing to remember is to keep focused on supporting the value that is being created.*

SEVEN: **What cultural behaviours do we need to build and sustain so that every day is our best day?**

These cultural behaviours need to be tightly aligned to the declared strategic imperatives for the company. We worked with a specialist ink manufacturer that supplied screen printing and digital printing machine manufacturers and printers. Whilst they had just been a supplier of screen ink, variability in product quality could be tolerated as the screen ink process allowed for plenty of human intervention and there were always people who would help. However there is no such luxury with digital ink. Ink for use in digital printing is placed in sealed cartridges and cartridges loaded
into machines. The quality of the ink had to be consistently excellent. This required a complete cultural shift in the design and manufacturing processes, a 100% ‘Right First Time’ philosophy. This involved collaboration right down the supply chain and throughout all functions in the business so that people knew sub-standard quality could not be accepted. Manufacturing tolerances and procedures were established with new thresholds. Structured, disciplined quality procedures were defined and deployed throughout the business. If things weren’t done right there was the prospect of machine users seeking compensation for either damage done to their machine or the business they were printing for or both!

So what was the end result?
The behaviours also became part of the way of doing work in making screen inks with associated efficiency and through-put benefits.

EIGHT: How can we ensure the previous barriers to success can be avoided and the new ones dealt with?

From childhood onwards, stories are an important source of enjoyment and information. Indeed listening and watching are the first ways we learn. Lifelong learning is now the norm and it needs to be built into the behaviours around a business. There is a knowledge gap that grows and grows every day and a lot of us, in fact most us, can’t keep up. As an organisation we need to create opportunities where experiences can be shared. Creating ‘round table’ lunch debates, team update meetings, conferences, forums, and online social media opportunities can all be used to tell stories and learn from people’s experiences. As a leading business strategist put it:

the best form of problem solving is problem prevention. Eradicate the need for problem solving by anticipating what the problems might be and by putting in place the actions to prevent them.

The motive is clear - the execution is perhaps a little harder. Establishing an environment where it is all right to talk about things going wrong (as long as people extend their thinking and realise how they can identify likely causes and then take preventative actions) is critical - and should be encouraged. There are many organisations in the energy and pharmaceutical industries where invitations for such internal events are commonplace.

IN SUMMARY

Lonnie Wilson (Author of ‘How to Implement Lean Manufacturing’) asks three critical questions about the cultural readiness of an organisation about to embark on significant change:

- Do we have the leadership to make this a success?
- Do we have the motivation to make this a success?
- Do we have the necessary problem solvers in place to make this a success?
If the leadership doesn’t think correctly under pressure how can we expect the rest of the organisation to behave the right way? If we don’t do the right things in the right way when there is no pressure, how can we expect people to do the right thing when the pressure is really on? Effective, decisive action is always preceded by clear thinking, however clear thinking is a skill that needs to be refined, coached and practiced in an everyday environment – ready for the time when people are under that immense pressure, when time is short and with little opportunity to react.

People in big business don’t have the luxury to practice ready for the big day. We don’t have to peak for a 100 metre sprint of 9.8 seconds or a two hour marathon. In business we have to peak every minute of every day. We put our talents on the line to win and deliver the business we need to survive. So we need the instinctive thoughts, decisions and actions to be right.

So in order to achieve operational excellence when the pressure is high, do the right thinking ahead of time:

- **Know your purpose**
- **Ensure leadership engagement**
- **Know your scope and your priorities**
- **Ensuring clear roles is obvious but think beyond this and organise the people with few organisational boundaries and focus them on delivering value through the focus on the customer**

And think through the right things every time so that everyday pressures can be dealt with:

- **Set expectations for behaviours as well as results - and track them both**
- **Know the capability strengths and weaknesses of your people**
- **Role model behaviours that ensure that every day is your best day**
- **Reflect and learn from your experiences, good and bad, every day**

Know your coaches, your mentors and advisors - and what they can bring. The knowledge gap is growing for us all, so the more support we have around us the better our chances of success. Just think about it ...people at the top of their game have specialist people around them in all sorts of different capacities. They are there to help them get to and stay at the top of their game.

*Who is around you? Who is supporting you now for when the pressure mounts?*

**Think quickly.**
For over 50 years, Kepner-Tregoe have consulted with companies around the world to improve their processes and productivity – using their unique proprietary approach. Over that time, they’ve created significant results for Siemens, Honda and a wide variety of market sectors. Results that can be measured in terms of money saved, down time reduced, productivity increased and people skills improved.

For more information, contact Kepner-Tregoe at either:

Moorbridge Court,
Moorbridge Road, Maidenhead,
Berkshire SL6 8LT
United Kingdom

+44 (0)1628 58 78 75

Gerichtsstrasse 3
65185 Wiesbaden
Germany

+49 (0)611 41149 15
Email: European.enquiries@kepner-tregoe.com