

Chatou, October 15, 2004

## THE IMPLEMENTATION PILLAR

Want to implement a project? Everybody knows how! First a multifunctional group analyzes the problem. Then, you set up Action Plans specifying who will do what and when. And bingo! The continuous improvement machine is on its way!

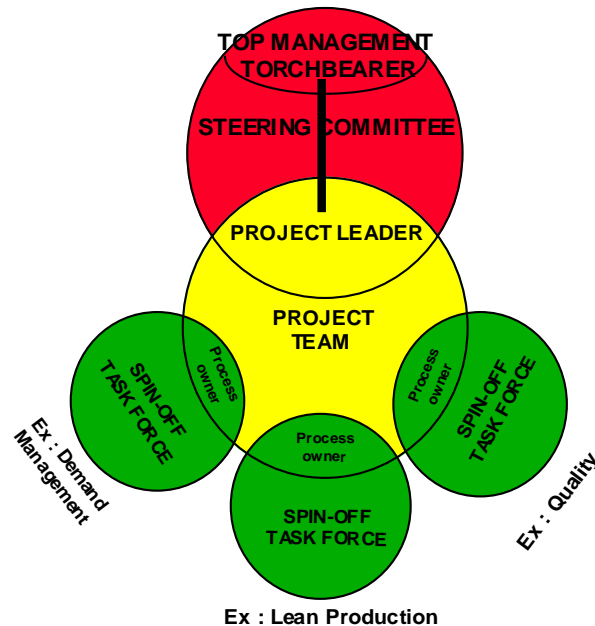
Our Technical Newsletter No. 21 mentioned that several companies that I've known, had **more than 40 Action Plans** in process at once. Everybody was happy. The consultants sent by Headquarters were able to place their programs. The Divisions defended themselves from accusations of moving too slowly by posting all the Actions Plans which were in progress. The managers were pleased to get their people moving ahead in so many areas at once. Everybody saluted the parade of passing Action Plans.

**Does approach that work? Yes! ... or No!** The Action Plans can be perfectly executed to attain the short term benefits which were planned. So it's a success. But short-term Action Plans generate short-term benefits, period. They don't really change the company culture that will bring more durable gains. You fall into a vicious circle of more and more Action Plans over shorter and shorter periods, while the real objective gets farther away.



The real gains that last, depend on creating a **pillar between two organizational levels**, Top Management and Middle Management. A formalized organizational unit is placed on each level in the overall implementation structure. **Above** : the Steering Committee or Top Management Committee. **Below** : the Project Team or Operational Team.

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The pillar links two people: the Top Management Torchbearer or Sponsor, head of the Steering Committee, with the Project Leader, head of the Project Team. Each needs the other. The Project Leader needs the authority of the Torchbearer to manage the project. The latter needs the Project Leader to get the specific operational actions accomplished.

The two organizational units must play an active role in the project. The Steering Committee meets **monthly** to track overall progress and make strategic decisions. The Project Team meets **weekly or bi-weekly** to maintain continuity in the operational actions of the project. It's like the S&OP (*Sales and Operating Plan*) and the MPS (*Master Production Schedule*). Maintaining the rhythm of meetings contributes considerably to the success of the project.

In one of the companies with more than 40 Action Plans simultaneously, these were ultimately reorganized into 6 Spin-Off Task Forces, a reasonable number, and placed within a project structure like the one shown above. In another case, only 7 of the Action Plans actually got done. The 33 others were partially executed or not at all. Following that... the company's Top Management was changed!

In yet another case, the two organizational levels--Top Management and Middle Management—were combined into a single Pilot Committee. Its meetings assembled 18 people when everybody was there. Also, a member of Top Management ended up taking orders from a Supervisor in one of the Spin-Off Task Forces. These massive organizational short-circuits finally killed the project.

The **healthy creative tension** between the two organizational levels is necessary to **implement a reasonable number of improvement actions which will stick**. Profit from the implementation pillar : make Action Plans part of a durable improvement to the company culture.