

Organizational Change, Process Development and HR Strategies

Dr. Tom Kent

Alternate Title

SILOs:

Good for storage, not for moorage

Choose One



Choose One



Before we go too far

- Time to take a short self-examination
 - A “Silogram” – a self-examination of your back home organization
 - Don’t show it or share it with anyone else unless you want to
 - If you are sitting with someone from your home organization, discuss in advance if you want to share your answers or if you prefer to keep them private

Scoring the Self-Assessment

- **12 – 24:** Pretty darn good; how can I get a job there.
- **21 – 25:** Not bad at all; there might be a few areas where you want to improve.
- **26 – 38:** Like a lot of organizations – not bad but not great.
- **39 – 50:** Could be a lot better; you're probably loosing a lot of people and a lot of time.
- **51 – 60:** You poor soul; you've got a lot of work to do.

Where the group stands

■ 12 – 24:

■ 21 – 25:

■ 26 – 38:

■ 39 – 50:

■ 51 – 60:

What are Silo's?

What are Silo's?

- The #2 killer of productivity and the human spirit in organizations

What are Silo's?

- The #2 killer of productivity and the human spirit in organizations
- American management's need and skill to manage up and down within their function

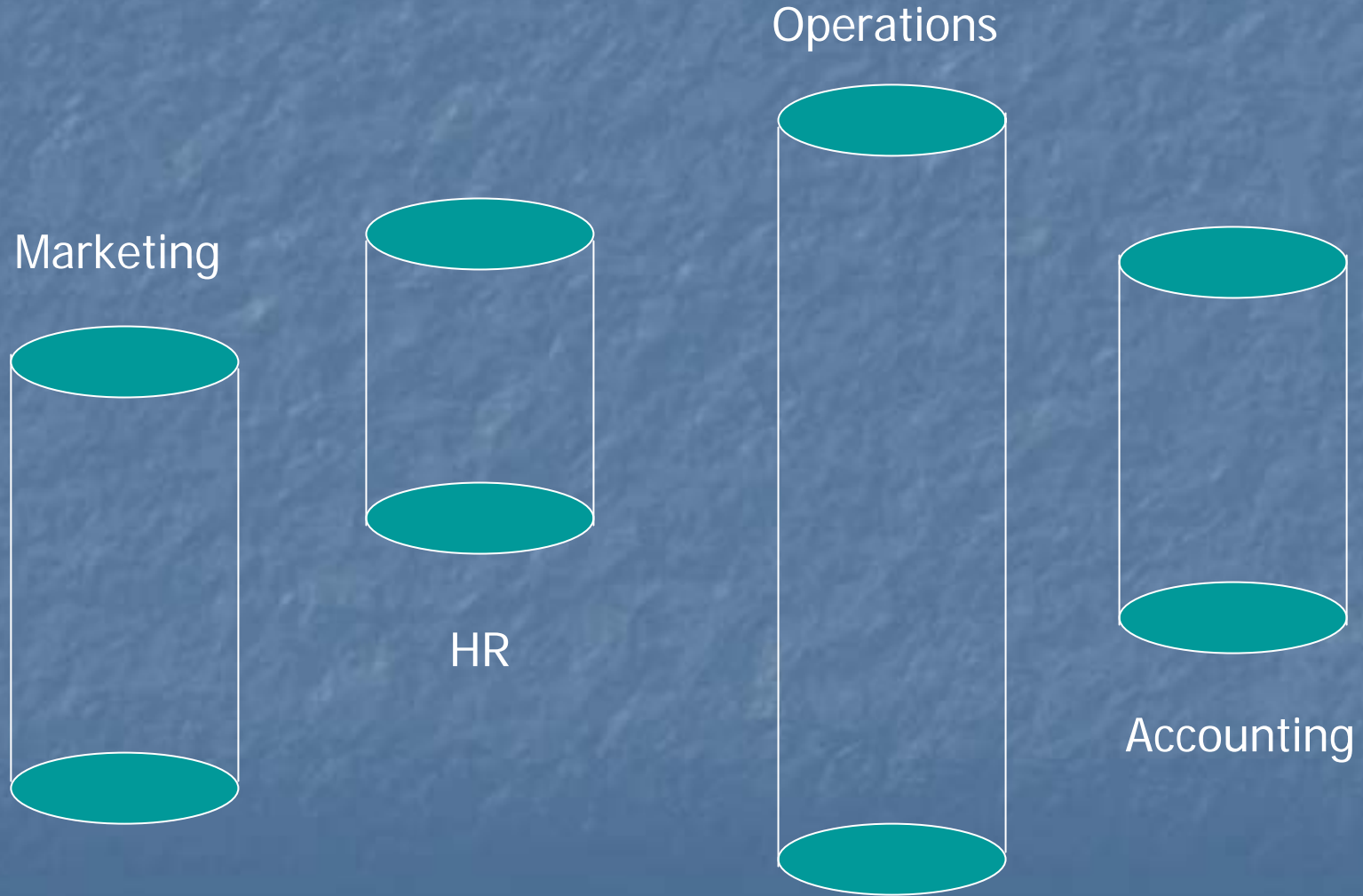
What are Silo's?

- The #2 killer of productivity and the human spirit in organizations
- American management's need and skill to manage up and down within their function
- A distraction from the real improvements available/possible in an organization

What are Silo's?

- The #2 killer of productivity and the human spirit in organizations
- American management's need and skill to manage up and down within their function
- A distraction from the real improvements available/possible in an organization
- The #1 hurdle to effective communications within organizations

#2 Problem -- Silos



What if you had less than a Cat I (12 – 24) score?

- Spondylitis is a degenerative disease – if untreated, your scores will get worse

What if you had less than a Cat I (12 – 24) score?

- Seroitis is a degenerative disease – if untreated, your scores will get worse
- Most typically the patient ends up in a funky state of depression, anger and low productivity

What if you had less than a Cat I (12 – 24) score?

- Siloitis is a degenerative disease – if untreated, your scores will get worse
- Most typically the patient ends up in a funky state of depression, anger and low productivity
- Turnover rates go up, training effectiveness goes down, employee impact (on improvements) goes down, efficiency rates flatten or decline, and the ability to turn around or complete projects is pathetic (e.g., projects are never done on time and/or they rarely result in the predicted outcomes.)

Do You Have Siloitis?
More symptoms

Do You Have Siloitis?

More symptoms

- Some Departments or Divisions have a lot of power – some don't.
- Rarely any career movement between Departments or Divisions
- People in one Dept. or Div. know little or nothing about what is going on elsewhere
- Decision making is strongly top down and approvals are required for most non-routine actions at the lower levels
- Communication runs up and down in the organization but not sideways

Exercise

- ❖ list some other characteristics of “siloed” organizations.
- What does a siloed organization look like?
- How do silos affect promotions, training, communications and morale.
- What does a non-siloed organization look like?

What should we call
a “non-silo” organization?

What should we call a “non-silo” organization?

- For today’s purposes let’s call it a:

“Flow Organization”

Or

A “Pure” Organization

A "Flow" or "Pure" Organization

Has only the right stuff in the pipe

And

There are no ripples in the flow

A perfect or “pure” flow:

- Goes from A to B with no:
 - Turns
 - Stops
 - Ripples
 - Leaks
 - Impurities or contaminants

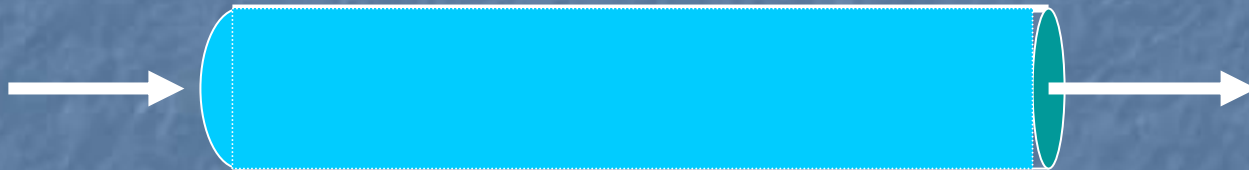
A perfect or “pure” flow:

Isn't that the goal?

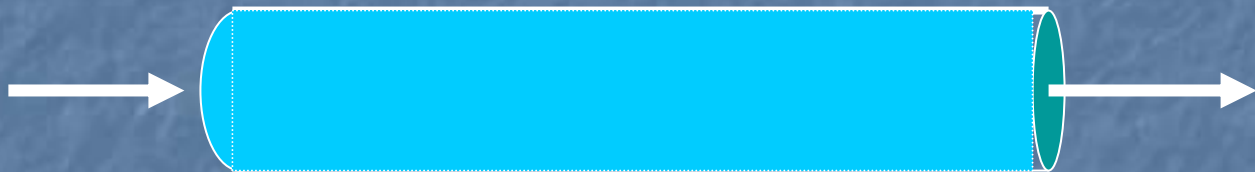
Exercise

- Select about 4 other people sitting around you who are not from your back home organization.
- Ask a person with a high or medium score on the Silogram to volunteer his/her organization for study.
- We'll be looking at how to improve the flow of that organization.

Construction of the Organization from the "Material Flow" Up

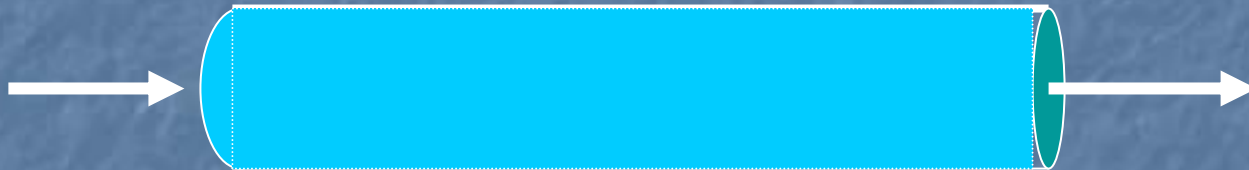


Building Structurally



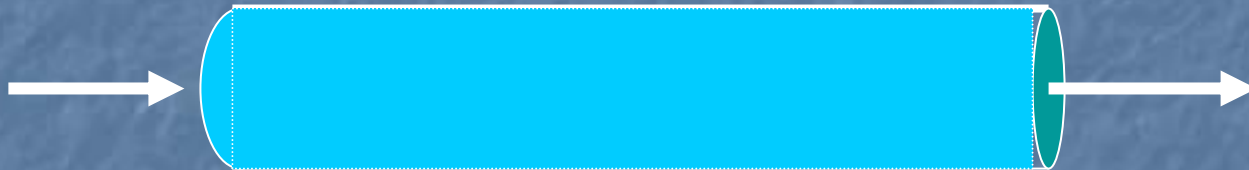
Building Structurally

- Each flow has a measurable beginning and end creating a tangible performance unit and a “whole” product/service



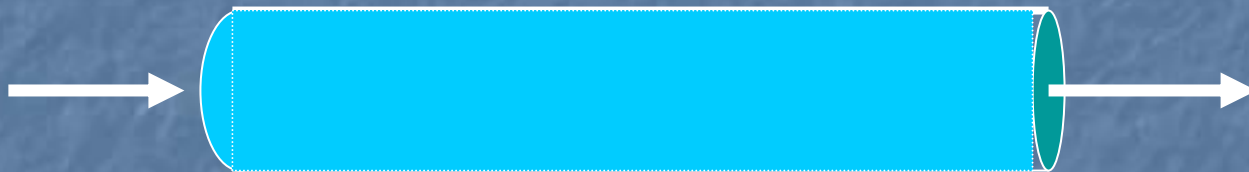
Building Structurally

- Each flow has a measurable beginning and end creating a tangible performance unit and a “whole” product/service
- Each flow has most of the resources it needs to effectively manage and improve the flow on a continuous basis

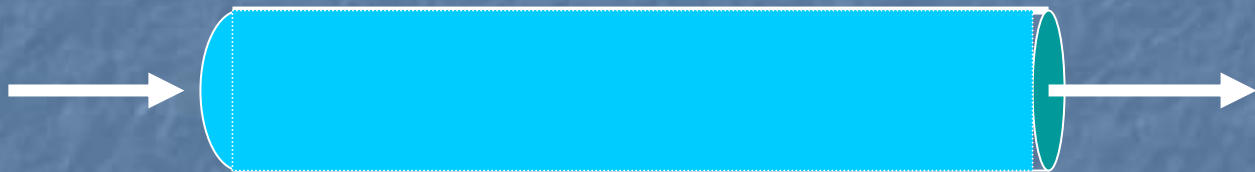


Building Structurally

- Each flow has a measurable beginning and end creating a tangible performance unit and a “whole” product/service
- Each flow has most of the resources it needs to effectively manage and improve the flow on a continuous basis
- Goals and objectives are flow oriented and effort is flow focused

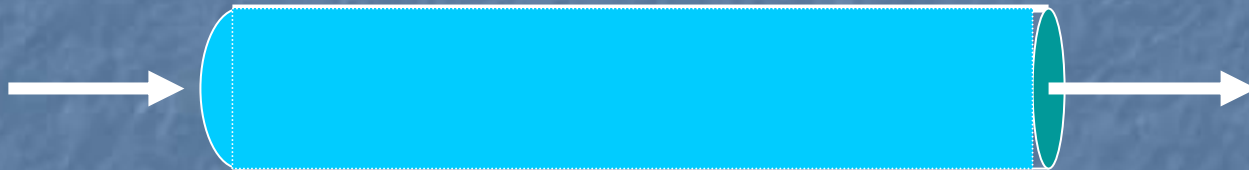


Building from a People Perspective



Building from a People Perspective

- All hourly employees needed to operate the flow including maintenance, safety, quality, etc. are assigned along the flow



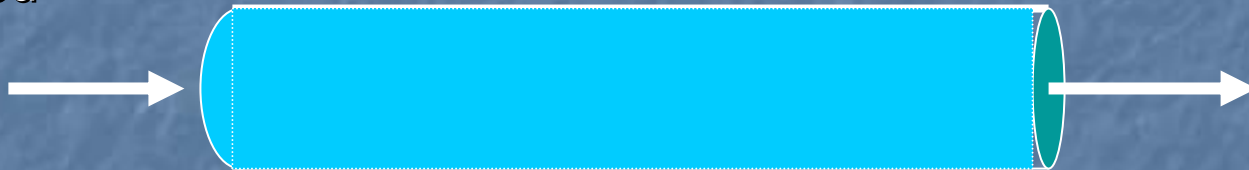
Building from a People Perspective

- All hourly employees needed to operate the flow including maintenance, safety, quality, etc. are assigned along the flow
- All Supervision and Management assigned to the flow vs. to functions or processes



Building from a People Perspective

- All hourly employees needed to operate the flow including maintenance, safety, quality, etc. are assigned along the flow
- All Supervision and Management Assigned to the Flow vs. to functions or processes
- Supervision or leadership as well as scarce specialists may be assigned to multiple flows depending on the skill of the individuals involved



The Key: Supervisors and Hourly

Transfer of Skills over Time



Multiple Choice Question: What is the #1 hurdle?

- A. The unions
- B. Resistance to change by employees
- C. The current pay policy
- D. Supervisors are unskilled
- E. Too many demands like 6 Sigma, etc.
- F. Other

What is the #1 hurdle?

The answer is: (drum roll please)

What is the #1 hurdle?

The answer is:

Other

Therefore, the first step is:

- Get top management on board – they have to lead the effort

Stop here; do not proceed without step #1 being accomplished; proceed at your own risk!

Steps to Success

- Get management on board; get union on board
- Agree on principles, ground rules, goals, measures
- Form work teams for every flow
- Create communication process from work teams to organization
- Do it