Lab Manager

Change Management

Consulting experts offer tips on the change-management process

By Donna Kridelbaugh | June 04, 2019

We previously have written about the human perspective regarding how laboratory managers can lead their staff through change (https://www.labmanager.com/leadership-and-staffing/2016/12/leading- your-staff-through-change).[1] For this article, we want to take a deeper look into what type of organizational culture drives sustained change and explore systematic approaches that can be applied to the change-management process. To do so, we reached out to two management consultants who specialize in the healthcare and life sciences industries, Hannah Thomas (founder and CEO of New Canvas Advising, Inc (https://newcanvasadvising.com/).) and David Novis (president and CEO of Novis Consulting, LLC

(http://davidnovis.com)), to get their input on current trends in change management.[2,3]

Why change is necessary

Both experts agree that change is required for science organizations to continuously improve and stay adaptable in an ever-evolving technological landscape. Novis emphasizes lab directors need to keep in mind when setting business goals that technology becomes obsolete. As he remarks, “Science is fickle. Never embrace some tactic and think it’s going to be the end. You need a strategy that includes a vision of change.”

Thomas takes this one step further and points out that companies are, in fact, the drivers of this technological change. Additionally, she says the industry has a responsibility to move technology forward and continuously improve processes because it can have a major impact downstream on the lives of their end users (e.g., patient-health outcomes, customer profit margins). In the end, organizations need to change as necessary in order to achieve a dynamic equilibrium, be good financial stewards, and always strive for operational excellence.

Creating a culture of change

In most organizations, any sustained change will require a top-down approach that involves management action, because labs do not operate as a silo but are instead part of a complex system. Or, as Thomas explains, any changes made within the microcosm of an individual lab will impact other business units and the ecosystem as a whole. Therefore, organizations should aim for creating transformational changes and not those that are purely transactional in nature (i.e., performing triage). This requires transformational leaders and empowering staff to take ownership of the change process.

Transformational leadership style

Organizations can be prepared for change by creating a culture that is willing to embrace change and make it a priority. Thomas says this is a culture in which everyone takes ownership of their own "individual citizenship behavior" and all are held accountable to each other. Laboratory managers are responsible for setting this tone by modeling this behavior and adopting a transformational leadership style. In a recent blog post on the New Canvas Advising (https://newcanvasadvising.com/a- discussion-of-transformational-leadership-examining-leader-behavior-and-organizational-culture/) website, Thomas describes the traits of a transformational leader as including emotional intelligence, authentic and ethical leader behaviors, the ability to relate to others, and leading by example.[4]

Thomas further explains, "A model culture is not to say that there is perfection, because that's utopia and that does not exist. But there is a healthy working relationship between those who are leading and those who are called upon to execute on the deliverables." Likewise, Novis concludes it really comes down to those leaders who make you feel that you are working "with" them, not "for" them.

Empowering staff

Novis further elaborates that an organizational culture must both encourage and reward innovation among its employees and create an environment where one is not afraid to fail. He has had the most success in implementing change by presenting staff with the desired endpoint and then empowering them to figure out what needs to be done to get there. He advises, whenever possible, that leaders should set the strategy and leave the tactics to the employees.

During this process, Thomas says it is important to also identify change agents who can engender followership to get group buy-in and help implement the change at the microcosm scale. As Novis defines it in a Laboratory Medicine article (http://dx.doi.org/10.1309/XAER260DK5U9GM0W), "Change agents are those bright lights who grasp the vision, become passionate about what it can accomplish, and will work hard to see it succeed."[5] These

people, as he puts it, have a “spark of intellectual curiosity” and when given a platform, will excel and find the best solutions.

Thomas also cites from a LinkedIn report that the top five soft skills identified as most in-demand for 2019 (https://learning.linkedin.com/blog/top-skills/the-skillscompanies-need-most-in-2019--and-how- to-learn-them) include creativity, persuasion, collaboration, adaptability, and time management, all of which are essential skills for a change agent to possess.[6] Therefore, companies need to nurture this skillset in employees, during the recruiting and hiring processes, and on up to promoting these people into leadership roles.

Taking a systematic approach to change management

It is essential for leadership to acknowledge employee input and demonstrate that changes have been made if you want to perpetuate a culture of change. Unfortunately, too often there may be a disconnect between leadership and staff, and employees may not feel comfortable providing feedback for a number of reasons. To further give voice to employees, there is a value in hiring an external consultant to perform the strategic analyses required to evaluate what operational or other changes may be needed within an organization. Novis and Thomas both use various systematic approaches based on employee-centric philosophies to achieve this.

Lean production

One approach used by Novis is the lean-production methodology, as perfected by the Toyota Motor Corporation and now applied across many different industries. At the core of lean production is a focus on eliminating wastes (e.g., supplies, time) while simultaneously building quality into production processes. Novis explains in his Laboratory Medicine article that lean involves mapping out current workflows, identifying processes with or without value to end users, developing plans to remove any nonvalue/wasted steps, and building in ways to detect and eliminate errors early on. Ideally, a lean approach results in

one continuous workflow that can increase an organization's efficiency and capacity.

In his article, Novis also details how lean can be applied to the lab setting and ways that waste can be reduced, such as breaking down any silos that exist among operational units and simplifying the workflow during sample processing. One additional waste he identifies is unused employee creativity. As Novis writes in the article, "Failing to solicit ideas on how to improve operations from the people who are in the very best position to provide that information is, in my view, the most egregious waste in any industry."

Also, central to lean production is the concept of mistake- proofing to prevent errors (e.g., erroneous lab results) from reaching the end user. This is accomplished by using two main principles: standardization (i.e., doing things the same way) and redundancy (i.e., catching errors early on). In terms of redundancy, a variety of inspection methods (e.g., self-checks, monitors) can be put in place to detect errors. The inspection process requires management to trust employees to take ownership of finding and reporting on any errors and also giving them the authority to stop work as required to correct these errors immediately.

Overall, lean only works if laboratory managers make a commitment to their staff, who are their most important resource. As he summarizes in the article, it's all about "empowering employees, developing trust, and building a culture of continuous improvement." Further, lean production requires labs to take a look internally to start benchmarking themselves and to adopt the Toyota mantra: "We're never as good today as we will be tomorrow."

New Canvas Advising methodology

Thomas emphasizes that each company has its own DNA and thus deserves its own evaluation. Her role is to critically examine both the technical and human infrastructures to determine how an organization can improve and become its best operational self. For this, Thomas

uses a hybrid approach that combines the scientific (i.e., “the business of business”) and Socratic (i.e., “the business of people”) methods.

In the first step with the scientific method, Thomas conducts a data-driven analysis that approaches change like an experiment, with a hypothesis that is repeatable. For example, if a company is making a purchasing decision for new instrumentation with the presumption of saving money, she would do the analysis to determine what other variables (e.g., quality, safety) may come into play. All too often she sees decisions made by leadership that are based on a theory versus facts. As she explains, “People ubiquitously use the term ‘theory.’ The challenge with that is they have failed to ask questions, much less identify a hypothesis.”

From there, Thomas can use the Socratic method to determine the human factors involved with the potential change, such as what hidden agendas may be influencing the decision or what additional value this change will provide to end users. Key to this process is collecting input from staff at all levels of the organization. She comments, “The actual information bearers are the individual contributors or middle management and so, it is my role to give them voice (and space and grace) to safely air what is on their minds.” As she explains, you are not working with a widget but with people, who in the end are responsible for seeing the change through.

References

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