



The Results of Our Work Whole Scale Change Efforts

Paul D. Tolchinsky, PhD
Performance Development Associates
10 November 2012



Some Results of Our Work

■ Bank of America

22 Departments Consolidated to 3

7 Cities Consolidated to 2

Process Cycle Time Reduced by 50%

Implementation Completed Within One Year

■ United Airlines

Cycle Time on Maintenance Visits Reduced from 15 to 2 Days

Costs Reduced by 34%

Productivity up 20%

Span of Control for Managers from 1:10 to 1:80 personnel

Start up of the New Airline by United was the fast in the company's history (Cycle Time cut by over 50%)



Some More Results

■ Ferranti Packard

Cycle Time Reduced from 28 to 18 weeks

Cost of Quality from 8.6% of Sales to 3.4 (within 1 year)

Losses Reduced from 5.5M to 1.5M (within 1 year)

Sales up 25%

Labour Unrest at All-time Low

■ Chrysler Motors

World Class Performance on 6 of 18 Processes within 12 Months

Cycle Time on Information Reduced

Reconciliation down to 24 hours

Closings Completed Within 3 Days

Performance up 3.5%



And Still More Results

- **PECO Energy (Human Resources)**

- Staffing Reduced From 1:35 Ratio to 1:80 Without Lay-off**

- Cycle Time to Fully Implemented Solutions Reduced 12 Months From Comparable Efforts**

- Costs of Human Resource Management Down 12% (in 1 year)**


- Selection process cycle time reduced from 90 days to under 30 within one year**



Designing the New Training Organization

The most significant results were the following:

- Daily operating cost reduced 10%
- Significantly reduced levels of management and manager to staffing ratio without a single grievance
- The creation of two new organizations, positioned to better align with customers needs
- 30% of positions changed/recreated to create customer focus
- Increased freedom on the part of staff to band together to market and provide services to the customer
- The introduction of a sophisticated knowledge management system to provide real-time customer, business and office information to every staff member
- Process took one year, rather than 3 as planned, from start up to full implementation saving significant costs.



Some Lessons Learned: Notes From a Leader

- Secure your position as initiating sponsor: clear the way with your boss
- Leader's Job is 75% change management; delegate "day-to-day" issues to your #2
- Provide vision clarity, sponsorship and the case for change from leadership
- Engage the "whole system": customers, stakeholders as well as employees
- Engage people in every way possible: meetings, task teams, customer conversations, and so on
- Sustain momentum by inclusion, communications and measurement
- Process design informs organization design and vice versa
- Pilot new processes with the customer
- Enhance the principal of full participation
- Provide venues to help employees deal with the stress of change; realize that employees want to deal with the present, not the future
- Communicate, communicate, communicate