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Develop **Commitment** to Business Improvement



*In a series of articles, we discuss key challenges and solutions to making business improvement more effective, efficient, and sustainable. The sixth article is about **Leaders' Improvement Commitment**.*

Leaders' Commitment to Business Improvement

Numerous studies show that leadership commitment is a crucial component of successful business improvement programs and projects [1] [2] [3] [4]. This is also supported by the improvement formula pioneered by General Electric that states:

Effective Change = Solution Quality * People Acceptance * Leader Accountability [5] [6].

With its multiplicative effect, the formula illustrates the importance of leaders' commitment (leader accountability) and how difficult it is to compensate for it if not present. As Daryl Conner writes in his bestseller *Managing at the Speed of Change*, "you either pay to develop commitment or you pay for not having it, but pay you will" [7].

Commitment is the devotion of one's time, money, energy, endurance, loyalty, ingenuity, and other resources to ensure the desired outcome [7]. Commitment can be assessed with a questionnaire (Figure 1). Although it is a subjective measurement, it provides a reasonable estimation of the level of commitment the leadership has toward a specific improvement project or program.

Commitment Traits	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Invest resources (time, energy, money, etc.) to ensure the desired outcome.					
Consistently pursue the goal, even when under stress and the passage of time.					
Reject ideas or action plans that promise short-term benefits but are inconsistent with the overall strategy for the ultimate goal achievement.					
Stand fast in the face of adversity, remaining determined and focused in the quest for the desired goal.					
Apply creativity, ingenuity and resourcefulness to resolving problems or issues that would otherwise block the achievement of the goal.					

Figure 1. Assessment of commitment (courtesy Daryl Conner, *Managing at the Speed of Change*).

Causes of Low Improvement Commitment

Commitment can be developed with common tactics such as involving, learning, rewarding, and communicating [8], along with more specific activities including awareness sessions, presentations, training, simulations, workshops, running pilots, communication campaigns, benchmarking with other companies, and showing concrete success stories.

Despite all these activities, it can still be challenging to obtain a strong commitment to business improvement if the leaders perceive it to require too many resources, yield too few benefits, involve too high risks, and take too much time to get a return on investment (Figure 2). From the leaders' perspective, there might be better alternatives to invest their limited time, money, and effort. For

example to invest in new IT applications and infrastructure, hire people to the sales department to increase sales, hire people to R&D to increase innovation and new products, and many others.

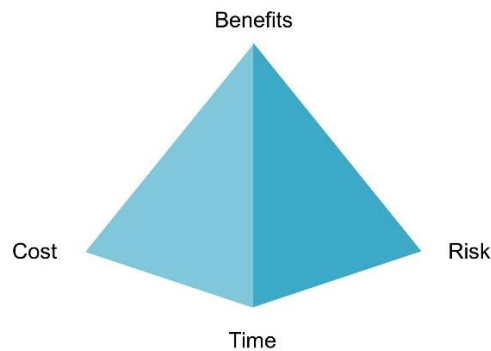


Figure 2. Common decision-making criteria.

Make Business Improvement an Attractive Investment

To develop a commitment to business improvement, it must be shown that it is a good investment that can deliver value efficiently, relatively fast, and with little risk. This is achieved by actively managing key success factors in such a way that committed resources are turned into valuable improvements (Figure 3). A virtuous cycle in which commitment leads to success and success leads to more commitment can then be established, first on a small scale before it is accelerated.



Figure 3. The commitment cycle for business improvement.

The rationale behind the key success factors in the commitment cycle (Figure 3) is that the more discontent with the current situation and performance and the more appealing the vision of a future state is, the stronger the incentive for change is, especially if the resistance against change is low among stakeholders.

Along with a strong incentive to change, the better the improvement strategy and the more improvement capability the organization has, the more likely it is that the effort will succeed, as long as the improvement initiatives are planned and executed well. Although not trivial by any means, it is doable and worth the effort to get the commitment cycle going.

Integrated and Adaptable Business Improvement (AIIM)

AIIM was developed to address critical constraints that prevent people and organizations from obtaining more value from their business improvement efforts, including inadequate leadership commitment (Figure 4).

AIIM is a complete improvement system that helps manage the key success factors in the commitment cycle with change management fully integrated to ensure that the current state of discontent, the future state vision, and resistance among stakeholders are understood and managed.

It also contains improvement methods, tools, practices, guidelines, and other capabilities that quickly can be adapted to the strategy most suitable for the initiative. AIIM guides the user through eight main process steps (i.e., identify, plan, improve, implement, review, share, learn, and coach) to ensure proficient planning and execution of improvement projects and programs.

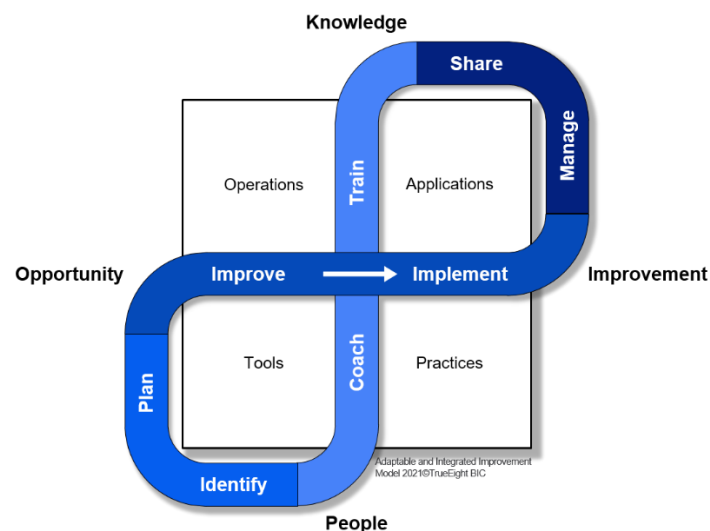


Figure 4. The adaptable and integrated improvement model (AIIM).

With the ability to handle a wide range of improvement opportunities and quickly adapt to the specific initiative, AIIM provides a scalable system that can be used first with a small budget to establish initial confidence and commitment before being scaled up to the required improvement capacity.

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