

Developing Capacity for Change through Kaizen

by Juan Riboldi



Case Summary

Situation: Slow progress and inconsistent implementation of even some of the most critical projects.

What We Did: Organized the Kaizen Board as a cross-functional group to accelerate innovation and improvement.

Outcomes: Employees submitted over 150 improvement ideas to be evaluated prior to supporting the most promising projects.

The Situation:

Sundt Construction is a diversified construction company operating in several markets in the United States with a strong track record of success for over 100 years. In recent times, Sundt has grown significantly from its initial footprint in the Arizona market. Part of this success can be attributed to Sundt leaders who correctly anticipated recent trends in the construction industry. Sundt was one of the few construction companies that grew significantly during the recent downturn due to their foresight on the market changes. As the company grew, so did the amount of initiatives, projects and employees.

Sundt managers experienced difficulties sorting through multiple priorities and implementing the various improvement ideas and projects

that were brought up regularly by committed and innovative employees. Moreover, the executives had no consistent way to vet out which projects were worthy of investing precious time and resources. At company meetings Richard Condit, Sundt's Chief Administration Officer, noticed the slow progress and inconsistent implementation of even some of the most critical projects.

The Challenge:

Leaders willing to champion key initiatives were busy carrying out their daily responsibilities. Employees eager to participate in projects were inconsistently involved. Too few employees found themselves involved in too many projects, while others were not involved at all. Even those who could set time aside, they did not have a consistent process for taking ideas forward.

Juan Riboldi

President and Principal of Ascent Advisor, he is the author of *The Path of Ascent* and various articles in leadership development and organizational change. Juan consults with business and government leaders. jriboldi@ascent-advisor.com

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“We need a change management process.” concluded Richard, as he recognized the number of initiatives that lingered or were not fully implemented. “What is the criteria for vetting out which projects we should and should not invest in?” was the question from Dave, the Chief Operating Officer. At the time, projects were actively pursued or quietly abandoned due primarily to the sponsor’s drive. “I want a SWAT team that I can count on to get strategic projects implemented and see their progress monthly.” was the request from Doug, the company’s President. Several important projects were not getting much traction for lack of dedicated champions. When someone was assigned to a side project, for various reasons, they may fail to deliver the desired results.

What We Did:

Ascent Advisor trained all the senior leaders at Sundt Construction on the Ascent Process. With input from the employees, The Ascent Process was adapted to Sundt’s culture and operations as the Kaizen Process. Ascent Advisor taught the Kaizen Process to the employees to provide a common framework and set of practices for managing change.

Sundt leaders created a prioritized list of critical projects, assigning to each project a sponsor and a champion.

Through a nomination process, Sundt selected a group of Change Champions—known as the Kaizen Board--to dedicate a portion of their time to vet out ideas for improvement and get traction on critical projects.

Ascent Advisor organized the kaizen Board as a cross-function group led by a dedicated Kaizen Director. The kaizen team met monthly to learn change management tools and specialized collaboration skills. As facilitators of the Kaizen process, they received assignments to move projects forward.

With the input from employees, the Kaizen Board reviewed ideas for improvement that were quickly classified, assessed and scoped so each idea can be voted on as a “Go” or No-Go” project.

Outcomes:

The Kaizen process increased the rate in innovative ideas submitted by employees. Following the Kaizen Process allowed a consistent way to prioritize improvements and take action on the most promising ideas.

Within one year, Sundt employees submitted over 150 improvement ideas. All the ideas were reviewed, sorted out and evaluated monthly by the Kaizen Board, giving support to the most promising projects. Sundt Construction developed the capacity to get important projects done.