

## Driving Change

By Uwe H Kaufmann

Two weeks after joining Central Bank in Germany, I spend a full week in the so-called Black Belt Training by TE Capital Europe. Black Belts are the project managers for process improvement approaches at TE. This approach comes from Motorola and is called Six Sigma. The first two weeks in the new company, I have tried to understand Six Sigma and to learn about the methodology and steps, after I got somehow familiar with TE Capital and its terminology, our banking products and our bank itself. While my new colleagues could help me with the latter, the learning of Six Sigma seemed to be an unsuccessful venture, as nobody in my bank had more than a hunch about it.

On the one hand, I had read that Six Sigma stands for a process quality with 3.4 defects per million defect opportunities – which I could not really understand with my knowledge of Gauss and his distribution. On the other hand, the name also stands for continuous process improvements. Elsewhere, I discovered that cultural transformation of the enterprise was to be achieved with this approach. The study of all the documents – usually only available in English – had created no enlightenment, but rather confusion.

After two days of training in a hotel in Heathrow, this condition has not improved much. On the contrary, I felt like standing in front of almost insurmountable barriers. First there is the language. Being German, English is not my mother tongue. Additionally, understanding English does not automatically mean being familiar with all the company specific acronyms, abbreviations and the jargon. On top of that, there is the rather complex subject of the training, putting even higher requirements on all the participants.

The third day of training starts with a little surprise that should turn in a real disaster. Sometime in the morning the door opens and a short, elegantly dressed lady in her mid-forties enters the room. From the faces of some colleagues I can see that this lady is no stranger. She introduces herself as Ruth Calotti, Vice President at TE Capital. She is responsible for the Six Sigma program. After the usual, typical American, meaningless pleasantries she comes to the point: "We invest a lot in this program. Trainer, hotel and travel costs are not cheap. There are also expenses for customer surveys, additional training and project work. Finally, we have you, the best of the best, our talents selected in order to lead this initiative to success. Success means growth and profits. For us it means this training is only useful if the newly acquired knowledge is applied immediately to the benefit of our organisations."

Ruth Calotti continues in her short but very impressive performance. She uses no presentation. Her speech is dedicated to the audience. She seems connected to them, to us.

"What is your name?"

„David Connors from GC Bank Leeds."

„David, what is the project you're working on now?"

„Reducing cycle time in sales finance loans."

„Good. At what stage are you at the moment?"

„After selecting the project from a series of project ideas in our Quality Council, we had our first team meeting led by the sponsor, the director of sales finance. Now I am here for the training to learn the next steps that I will implement with my team back home", David says with pride.

Ruth wants to know more yet. „Why was this project selected?"

„On the one hand, sales finance is a strategically important product for our company. On the other hand, we know from our retailers that we have some room for improvement. Our competitors are faster. We need to close this gap."

„For what purpose?"

„If we reduce our turn-around time for sales finance credit applications by 50%, we would increase our competitiveness, and thus our market share. Also, we would reduce our costs."

„Good. Best wishes to Andy, your CEO. Excellent preparation."

„What's your name?" Ruth wants to know from another training participant.

„My name is Peter Klar, I am with Merkur Bank." Peter is Austrian and is naturally sitting next to me.

„Peter, on which improvement project do you work?"

„I have no project. I did not know that the project is necessary for the training here. I have only been with the bank for a month. "

It is very quiet for a while. You could hear a pin drop. Ruth's smile has hardened and has turned into a very serious look. She was visibly upset.

„Sending employees for TQM training and hoping that the training would eventually bear fruit was yesterday. Today we are wiser. We train only the employees, of whom we can expect that they apply the gained knowledge into practice immediately and contribute to the outcome of the enterprise. Pause. „Selecting and defining company-specific improvement projects is a prerequisite." She continues, "What is your name, please?"

„Peter Klar, Merkur Bank"

„Peter, you will call your CEO and explain to him what I have just said. Moreover, the Merkur Bank has got two tasks from me, for which I want to see completion within two weeks. Firstly, the management of Merkur Bank has to identify problem areas immediately, has to develop project ideas and has to select projects under strategic considerations, starting with the voice of the customer. Secondly, you will take on one of the selected projects, you will apply on this project what you have learned here and you will send me the full documentation for project selection and project work within two weeks."

Over the last few minutes, I could feel myself getting smaller and smaller next to Peter. My hands were wet, and I did not know exactly what to do with my view. Do I look at her, I am probably next. Do I look somewhere else, I give the impression of disinterest. One thing I must avoid somehow. I do not want to have to say: "I have no project."

But Ruth knows that she has left a lasting impression on everyone. She has achieved that, from now onwards, everyone takes the training very, very seriously. And she has accomplished that everyone has a very powerful message for his CEO and the management team. She has obviously done her job and leaves the room after some more typical American phrases.

The remaining days at the airport go by relatively quietly with two small changes. Firstly, I take the training as even more significant than before. Secondly, I buy German newspapers and study job advertisements every night.

## Conclusion

The need for organisational change is everywhere in our business environment and the rate of change seems to be yet increasing. There are a few factors that decide about success or failure. One of these factors is the capability of the leaders to not only having clear objectives but also - and much more importantly - to communicate it, show it and live it. It's about walking the talk.

## About the Author

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