

# **Find Out Who** Really

# **Runs the Show**

# If you don't get their buy-in, your projects will go nowhere

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Pick up any book on strategic environmental management, and it will wax eloquently on the technical and financial merits of various programs. There seems to be an underlying assumption that if the program is rock solid and business management has bought into it, the new effort will be embraced down through the organization. Not necessarily, especially if Billy Mack, the second shift leader, thinks it's a bunch of horse manure.

Within every organization there are the "wise ones," those individuals who have enormous power and influence over what is accepted and what gets trashed. These individuals can be at any level in the organization. Even some of the lowest on the organizational chart command the ear of the CEO. You need to find out who these individuals are in your organization and win them over if you expect to be successful in rolling out new programs.

wenty years ago, I was on a chartered flight with the vice president of General Electric's Noryl business unit. He explained that the company had instituted a policy stating that no more than six executives of a business unit could fly on the same flight after an air disaster had wiped out the top management layer of one of the business groups. He was quite amused by all this "nonsense" and declared, "If my staff and I disappeared tomorrow, the business would not skip a beat, but if [he named six frontline individuals] were to die tomorrow, it would be a total disaster for the Noryl business."

I knew exactly what he was getting at. These were the individuals that really ran the show. They had the respect of everyone, incredible institutional knowledge, and even the ear of the soon-to-be CEO, Jack Welch. It may be the "little people" who pay taxes, as Leona Hemsley once said, but these people often command more power than people higher up the organizational ladder. Corporate managers who have never "been in the trenches" sometimes lose sight of this fact.

A personal favorite of mine is the Harvard Business School case study, Dashman Company, the story of a newly appointed vice president of purchasing who began issuing perfectly rational new corporate procedures. 1 He sought out and received board of director approval to issue the instruction for a new system. He was too busy (or was it too important?) to meet individually with the site purchasing managers, but each pledged full cooperation. Several months later, however, he realized that the sites were ignoring the new program. "How could they?!" he shouted.

My coauthor, Robert Kenney, learnt this valuable lesson very early in his career as a process designer. He takes pride in incorporating cutting-edge technology into designs, and in his early days, assumed that the operations people would be similarly inspired to work with such fantastic technology. He soon learned, however, that no design could work effectively if the "real experts"—the individuals running the daily operations—did not buy into the concept. "From their perspective, I failed to make their boss understand what they needed. Thus, they concluded I did not listen to them and did not know anything about their business," Kenney says.

Buy-in from the people who really run the show is the linchpin for successful business implementation. This is especially true when implementing an environmental management system (EMS). Historically, the association between regulatory compliance and business cost savings has been disconnected. Similarly, there has been no direct connection between business risk and EH&S compliance risk. Therefore, business managers may have a difficult time seeing the value of a systematic approach to managing EH&S for the entire process.

Because of the variety of possible outcomes, the type of EMS implemented can range from formal, certifiable ISO 14001 systems to "we-have-always-done-it-this-way" systems. The tools to develop and implement these systems can also range from behavioral safety processes to Six Sigma methods. Notwithstanding the variety, one element is common to all successful EMS systems: obtaining the support of the people that will be doing the work on a daily basis is critical.

To encourage buy-in from key individuals, EH&S representatives should first recognize who these people are, what they do, and why they do it. By guiding these key individuals through the process as the desired outcomes or goals are being defined, ensures that the new EMS procedures are both understood and accepted.

EH&S representatives can further facilitate buy-in by providing needed information. First, they can identify the risks to ensure that the procedures document EH&S compliance. Business operations personnel sometimes have difficulty identifying the difference among environment, safety, and health regulations, as well the associated compliance risks. Second, they can identify worst-case scenarios and assign high-, medium-, or low-risk prioritizations. This is especially helpful to business managers at budget time. Third, they can be effective impartial negotiators in finding workable solutions by providing a fresh perspective. Business operations personnel who have never seen the complete process mapped out will value the "big picture" perspective. EH&S representatives can point out where procedures in one area might cause problems for other areas. They can also help uncover bottlenecks and probe for root causes. Ideally, the process evolves as an open forum where EH&S representatives are viewed as valued contributors.

Finally, once the risks have been identified and the objectives targeted, EH&S representatives are the logical link in setting up communication procedures for reporting progress and developing incentive programs to meet the goals, providing expertise as needed. The rest of the time, they are assisting in the process of developing an EMS.

#### **CASE STUDY**

Robert Kenney was involved with a vinyl casting and coating manufacturing facility in Indiana that achieved waste disposal savings of approximately \$100,000 annually with the application of such techniques. Success was assured by involving the key individuals in developing a pilot EMS that considered both business and EH&S risks. Going through the process of developing the EMS eliminated the need to manually tip 55 gallon drums to drain residue, and also eliminated the site's primary injury risk-manually loading and unloading heavy metal cores. The resulting procedures were then available as best practices for other plants within the corporation.

The main, value-adding results of this approach were the implementation of an EMS that became part of daily business activities, the acceptance of a method for controlling EH&S risk, and a continuous improvement process that resulted in opportunities for business cost savings. The facility fully expected to produce cost savings and reduce risks each year using the EMS. This system could then be used to document its progress toward sustainability.

To avoid confusion, EH&S representatives should prioritize important activities and focus, initially, on the top three or four issues. Six Sigma tools can be used to accomplish this step.<sup>2</sup> The remaining issues should become part of a continuous improvement plan generated by the EMS. Rather than trying to fix the world in one step, EH&S representatives should look for opportunities to save costs and eliminate (or control) risks.

EH&S representatives can also help the key individuals decide how to measure the results, determine the appropriate corrective actions, and assign responsibility for taking actions to the appropriate personnel. Finally, and most important, EH&S representatives can encourage the key individuals to communicate the results to their "non-expert" bosses to show continuous progress toward their goals in a timely manner.

#### CONCLUSION

The best EMS is only as successful as the amount of buy-in obtained from key individuals in the organization. An EMS is important in identifying and communicating the state of EH&S internally to the company, and the use of EMS systems is growing as a method for external reporting of environmental progress toward sustainable growth and profitable risk management. When key individuals recognize the value in an EMS, it can help make the business complete by bringing together needed resources into the organization. When the EMS is fully integrated into the business, more opportunities are available to add value and reduce cost and risks for the business.

#### **REFERENCES**

- Dashman Company; 642-001; Harvard Business School: Cambridge, MA.
- See, for example, Richard Schroeder, Six Sigma Academy, http://www. 6-sigma.com.

# **EH&S ADVISOR CHECKLIST**



# **Obtaining Buy-in**

# Do:

- 1. Identify the key individuals who will directly (or indirectly) impact the success of a proposed project/program.
  - Who they are.
  - What they do.
  - · Why they do it.
- 2. Act as a valued EH&S resource.
  - Identify EH&S risks.
  - Ensure new procedures include EH&S compliance documentation.
  - Provide risk analysis ranking for identified critically important activities and worst-case scenarios.
- 3. Be an impartial negotiator.
  - Ensure everyone participates.
  - Look for workable solutions.
  - Bring a fresh perspective to identify root causes.
- 4. Become the critical communication link.
  - Provide a measurement tracking system.
  - · Implement an effective communication/reporting program to
  - Help implement an incentive program for meeting goals.
- 5. Let the key individuals own the new program! For example, in the case of implementing an EMS, work with these individuals to:
  - identify critically important activities and problems;
  - develop a business process map (how each process area integrates with one another);
  - look for ways to make their job easier;
  - guide the formalization of goals;
  - participate in the development of "best practices" and training;
  - aid in defining how to measure results and corrective actions; and
  - assist in choosing who will be responsible.

## Don't:

- Forget to actively seek participation by as many business areas as possible.
- Direct/mandate key individuals on how to do their job.
- Start with your own agenda of how to fix the problems.
- Alienate the disagreeing groups; ignore opportunities for consensus.
- Forget the importance of communicating successes, both to managers and kev individuals.
- Forget to continuously improve; think that the program is established when it has only just begun.

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