

CHANGING RISK CULTURE: INSIGHTS FROM EMPLOYEES BEFORE IMPLEMENTING LEAN MANUFACTURING AT A SOUTH AFRICAN CHEMICALS PLANT

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ABSTRACT:

A conducive company culture to adopt change is commonly cited in the academic literature as a prerequisite for a successful change initiative. The South African chemical producer in this study recently adopted lean manufacturing as an improvement strategy, where past failure with a similar change initiative occurred. The study was conducted prior to the intervention and aimed to determine if the risk culture is amenable to bring change in the organisation. The objectives of this study were to ascertain the perceptions of both management and front-line employees about change risk culture, determine the perceived level of comfort with individual change risk roles and recommend organisational improvements. An online-based survey was administered to 653 employees, generating a response rate of 34% (n = 220). Tests for significance between the management and front-line groups were performed. The risk culture perceptions of management indicated more optimism to welcome change than the front-line employees. Management was also found to be more comfortable with their own change risk roles than the front-line employees. This gap between management and front-line worker perceptions on change in the organisation, appears to be at the core of unsuccessful change interventions in the past. Recommendations to improve the change risk culture were made by the participants, with the understanding of change risk, communication, risk role, leadership, accountability, and reward constituting 80% of suggestions. Furthermore, the authors presented a risk culture improvement plan for the company using change management principles to increase the successful roll-out of management interventions in future.

KEYWORDS:

Change management, organisational change, questionnaire survey