

Is
All This Paper
Necessary?



Chuck Rice, Ed Gibson, Carl Green, Ken Allen, Greg Gibson

March 4, 2011

Introduction

Our industrial lives are cluttered with mounds of paper. We have paper policies, paper procedures, paper standards, paper permits, paper checklists, paper regulations, paper work orders, paper purchase orders, paper change orders, and a whole host of forms that have to be filled in and maintained. And when we try to reduce the paper, we make the paper electronic and produce systems that, it seems, simply move the paper to cyberspace.

It was not too long ago that we didn't need all this paper. We could just operate and maintain the plant. We didn't need all these rules, regulations, guidance and constraints. We knew what to do and we could just go do it. Nostalgia is powerful. Things seemed to work better then. At least they seemed easier. Someone wasn't always in trouble for not following the rules. It makes you wonder if we really need all this paper or these computer systems.

Where Did the Paper Come From?

Before all the paper and systems, the world was a lot simpler. Plant technology was simpler and most plant personnel had been there since the start. Everybody knew how things worked. Society appreciated our products and our stakeholders had simple and straightforward expectations. The government had better things to do than to worry about how we were running plants.

Somewhere along the line the world got complicated. Plant technologies became more sophisticated and you could no longer keep track of the systems in your head. A new generation of personnel began arriving, with little or no plant background. We could no longer assume that everybody knew what to do. But we did not fully recognize the changes and we continued believing in the cultural values of the simpler time. This led us to take on risk we did not fully understand as we pursued production with a myopic intensity. Maintenance and operational mistakes began to cost plant availability and safety. Investors were applying pressure to increase plant production. Society was waking up to the fact that these heavy industries were extracting a cost in human injuries and environmental impact. The government responded to this awareness and began to show interest in how the plants were operating.

Over time various regulatory agencies began specifying how these plants were to be run. They set requirements, intended to contain and mitigate the demonstrated risk. We eventually came to understand that regulatory accommodation was part of the social contract for operating these businesses. In response to both the regulatory and investor pressures, companies began generating policies and procedures that specify the way the plant is to be operated and maintained. So we have evolved a comprehensive structure of paper documents and computer systems to define the acceptable boundaries within which society allows industry to operate these facilities. And what is the problem with that?

What is the Problem?

Actually, the problem is with the people and with the organizations that operate these facilities. Plant management and the workforce both remain culturally anchored in a simpler time. They don't truly appreciate or understand the value of structure. Both are suspicious of structure, in our experience, but they are suspicious for different reasons.

Workers see structure as management's attempt to control them by specifying their actions rather than allowing them to exercise their judgment, which, in many cases, they regard as "expert" judgment. Workers feel that structure takes away their flexibility, their freedom and, to some extent, their enjoyment. Furthermore, compliance with structure requires time and effort that seems nonsensical. The procedures people are to read and the forms to be filled out are perceived as having little or no value.

Management doesn't care for the structure either. They feel it limits their ability to make decisions and prevents them from doing what they want when they want. It boxes them in. It limits the organization's ability to respond to evolving situations. It represents bureaucracy, forcing managers to define accountabilities, police those activities and hold people accountable. Consequently, many, if not most, managers pay lip service to enforcing the structure and hope something bad doesn't happen. When something does go wrong, they have difficulty accepting responsibility for the incident. After all, it was a front-line worker who failed to follow the procedure or enter the information.

Much of this attitude is fostered by the attempt to "balance" competing objectives, a concept the industry has evolved in response to the increased regulatory and stakeholder pressures. That is, safety and environmental mandates are put on an equal footing with the production imperative. Attempts to balance these competing interests produces trade-off decisions. For example, some time ago, we investigated an incident in which bolting had failed on a piece of equipment. We discovered that work on the equipment had been holding up the plant's restart. The work crew had been released to reassemble the unit before an engineering clearance was received for the new bolting. The bolts subsequently failed and the unit lost several days of production while it was repaired. When the engineering clearance was reviewed, it stated that the new bolting was inadequate. When asked why the work had moved ahead of the engineering clearance, the crew foreman stated, "We can't wait on paper work when the unit is down." In an effort to balance safety and productivity, he violated the procedural structure. Even though the organization had established procedures to control the risk, he gambled, embracing the risk that the new material was unsatisfactory, which it was. (This "balancing" concept is discussed in more detail in our White Paper, "Is Our Industry Culture the Problem?")

What is the Solution?

It is common for us to have a bias that inhibits our ability to recognize the cultural issues that drive our decisions. This bias can also block our ability to recognize a tool well-suited to prompt the appearance of cultural issues — Structure.

Culture can be described as a shared pattern of beliefs, assumptions and values that govern the way a group behaves. In many cases these patterns are subconscious and individual group members are unaware of how powerfully their behavior is influenced. We generally consider a cultural issue to be a situation where a cultural belief inhibits the organization's ability to achieve a legitimate business objective.

Structure is a prescription or specification for how work is to be accomplished, including the expected behaviors. Structural procedures, policies and systems are intended to get work done in a safe, efficient, productive, and satisfying manner. Unfortunately, structures are deployed with the expectation that the organization will recognize their inherent wisdom and comply with them. As the new structure's implicit cultural values collide with those held by the work force, things don't work out as planned. Where we expected people to embrace the new way of doing business, we find disagreement, argument and non-compliance.

Surprisingly, conflicts can spawn solutions. Conflicts identify misalignments between the new structural changes and the values currently held by the group. Conflicts expose subconscious cultural values, which can then be dealt with on a conscious level. Once exposed, these values can be addressed by leaders who collaborate with the affected personnel. Effective collaboration is structured to understand the conflict and move the cultural values and organizational goals into better alignment.

Our blind spot has been that management expects compliance when structure is deployed. From a culture perspective this is wildly unrealistic. The work force has evolved a set of behaviors and practices that reflect deeply held cultural norms which have meaning because they have served the work force well. New structures prescribe changes to these familiar behaviors, creating frequent clashes. Noncompliance and push back are to be expected and valued.

How Do We Make it Work?

So, how do we take advantage of this conflict? We need an approach that identifies areas for improvement and encourages participation by both workers and managers. We need a process that promotes open and honest communication. The following diagram describes an approach designed to make conflict work for us.

Structure → *Violation* → *Conversation* → *(Revised or Reinforced) Structure* → *Ad Infinitum*

This process can be used to address the cultural issues that surface while implementing new and different structures. The intent of this sequence is to align the culture and the structure so that work progresses in accordance with the organization's goals.

Structure

The creation of new or revised policies, procedures and business systems becomes an important mechanism for moving the organization's culture. Resistance and noncompliance can be used to precipitate conversations about the underlying beliefs and values. These conversations have the potential to cultivate the new cultural expectations that the improved structures require.

Structure is imposed to further the organization's goals. If people are compliant and there is little or no push-back, cultural norms have probably not been challenged. Likewise, once the culture has fully adapted to a structural change, compliance becomes customary and the formal structure becomes less necessary. Structure is not the objective here; the results of the structure—the business objectives and cultural support for those objectives—are what's important.

Violation

Well-intended and well-framed structural changes can collide with current cultural beliefs and expectations. The implementer may experience a new structure differently than the designer intended¹. In either case, the new structure produces violation. People will overtly or covertly oppose it. Violations, then, are predictable and mostly inevitable. They occur because structural changes impact people². New structure disrupts familiar habits and challenges or threatens underlying assumptions and expectations. This reality—that structure changes threaten people—can never be overlooked. We must anticipate and value violations rather than be

surprised or disheartened by them. Violation alerts us to underlying assumptions that no longer operate silently beneath the surface. Remarkably, dissent can breed new ideas, improved understandings, and creative breakthroughs³. The absence of conflict could be a sign of decay⁴.

Conversation

Collisions between underlying assumptions and new structures must be addressed; differences of opinion must be reconciled; feedback must be courted; new understandings must be explored.⁵ The over-arching purpose of conversation is learning—inquiry, clarification, and problem solving, not judgment, punishment or retribution.

Open conversation is the linchpin that links violations to enlarged understanding or to improved structures. This conversation must be approached as an opportunity for coaching rather than a call to exert authority. Non-compliance should be approached as an opportunity to explore the underlying causes of the violation. It is an opportunity to present the case for the structural requirements or to identify structure improvements. The anxiety of those facing new structures needs to be taken seriously. Unconscious values and assumptions can more readily surface when conversational time and space are granted⁶. It is also possible that the structure is incomplete or flawed. The violator may have a better idea. The structure can be improved when leaders function as learners when faced with a better idea.

However, coaching cannot be detached from hard realities. Coaching's goal is to properly orient work and culture to the organization's goals and purposes. Toward these ends, coaching may clarify the reasons for a goal, objective, or barrier. In other cases, it may identify a need for structural redesign. Compliance and cooperation will increase as the coach creates avenues of contribution rather than erecting communication barriers with dictatorial solutions⁷.

Ad Infinitum (A Recursive Process)

Organizational growth and structure change ignite new rounds of violation, conversation, and revision. Repeating again and again, this sequence has been described as a "contact sport that takes time and never ends."⁸ The good news is that, unlike the command and control model, learning and improvement are made possible by this approach.

Conclusion

Is all this paper necessary? Is structure a friend or foe? Do systems liberate or unnecessarily constrain us? Appropriately defined, understood, and implemented, systems and procedures are essential in large, complex organizations. Structure typically ignites some measure of resistance to improvement initiatives. This resistance provides opportunity for constructive conversation. These conversations in turn, create the opportunity for compliance that is grounded in understanding. Alternatively, it can generate improved structure. Either outcome is beneficial.

Structure → Violation → Conversation → (Revised or Reinforced) Structure → Ad Infinitum

This coaching approach replaces the concept of command and control. There is an awakening in the industry that can be illustrated by a client's recent comment: "Our culture will determine our performance." We believe this to be true. The key question is, "How do we harness culture to get the performance we want and need?" The answer lies in understanding how to gain the maximum benefit from the structures we deploy. Maximum benefit is achieved by effectively using policies, procedures and systems to move the organization's culture. This requires a change in thinking. This change in thinking may involve a cultural shift for management. As leaders, we need to change our own culture (beliefs, assumptions, expectations, and approaches) first. Yes, we need to understand and believe that we desperately need all this paper.

Copyright © 2011 MetaPower, Inc. All rights reserved.

The information contained in this document represents the current view of MetaPower on the issue discussed as of the date of publication. Because MetaPower must respond to changing market conditions, it should not be interpreted to be a commitment on the part of MetaPower, and MetaPower cannot guarantee the accuracy of any information presented after the date of publication.

This white paper is for information purposes only. METAPOWER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS DOCUMENT.

MetaPower may have patents, patent applications, trademark, copyright or other intellectual property rights covering the subject matter of this document. Except as expressly provided in any written license agreement from MetaPower, the furnishing of this document does not convey any license to these patents, trademarks, copyrights or other intellectual property. The MetaPower logo and Noble Production are either trademarks or registered trademarks of MetaPower, Inc. in the United States and/or other countries. The names of actual companies and products mentioned herein may be the trademarks of their respective owners. MetaPower, Inc., 9901 N. E. 7th Avenue Suite B233, Vancouver, WA 98685 1-800-328-9774.

-
- 1 Peter Senge, *The fifth discipline* (New York: Doubleday / Currency, 1990), 341.
 - 2 Michael Fullan, *Leading in a culture of change* (San Francisco: Jossey-Bass, 2001), 83-84.
 - 3 Senge, *The fifth discipline*: 53.
 - 4 Fullan, *Leading in a culture of change*: 74.
 - 5 ———, "Leading in a culture of change (chapter summaries)," (San Francisco: Jossey-Bass, 2001), 12.
 - 6 Annabel C. Beerel, *Leadership and change management* (Los Angeles, CA: Sage, 2009), 146, 51.
 - 7 Fullan, *Leading in a culture of change*: 81, 112.
 - 8 ———, *Leading in a culture of change*: 44.