

MANAGING ORGANIZATIONAL CHANGE

How It Impacts your Ammonia Refrigeration System

By William Lape

I've been thinking a lot about organizational change the last several months. Ben Franklin is attributed with saying "in this world nothing can be said to be certain, except death and taxes." However, I would add to that quote and say that organizational change, like death and taxes, is a certainty. Whether you are a hockey team trying to build a Stanley Cup contender while staying under the salary cap, or if you are a facility subject to Process Safety Management and Risk Management Plan regulations, or even if you are a mom and pop grocery store, you are going to experience organizational change at some point in the life of the business.

During those changes, we must consider their impacts on a facility's PSM/RMP or ARM programs and on the operation of the ammonia refrigeration system itself. Below is a list of some of the items that must be considered when organizational changes occur.

1. Subject Matter Expertise: Is the person leaving the "keeper of the keys to the kingdom," so to speak? Are they the only ones who know where relevant documents are to be found for your refrigeration management programs? Are they the only person in the facility who is qualified to drain oil? If you are lucky enough to have two weeks notice of the person's impending departure, care should be taken to review all of the activities that they perform, even on an

occasional basis, and identify the items on which you will need to train their interim replacement, or possibly multiple replacements.

- 2. Interim Replacements:** It is rare that a person's replacement will be hired and trained prior to their departure. Often, it takes months to find a permanent replacement. So, in the meantime, who is assigned the departing person's duties, and have they been properly trained? Do they have all of the documentation that they need to do the job?
- 3. Structure Changes:** It is not unheard of for organizational structures to change as business demands change. When positions are eliminated, care must be taken to ensure that the responsibilities of those positions are rolled into remaining positions. Again, in these situations, training is critical, as is clear communication of the change in responsibilities. If you forget to inform a person that they are to be assigned new responsibilities, that is a sure way for them to not get done.
- 4. Hiring:** If you are lucky enough to be able to hire a replacement, care must be taken to ensure that proper qualifications are prioritized within the job posting, and are fully understood by those responsible for the hiring. In the event that a candidate is hired that may be lacking in particular



skillssets, priorities need to be set to temporarily bridge these gaps. Remember the interim replacements? In this situation we cannot say, "Well, we've hired a permanent replacement, so the interim people can go back to their normally assigned duties." Their interim duties need to continue until the new, permanent person is properly trained. Speaking of training, as part of the hiring process, hiring managers and human resources need to be aware of the cost impacts of these lacking skillssets. For instance, if a maintenance manager is hired with no ammonia refrigeration or PSM/RMP experience, you can likely expect at least 4 weeks of classes at about \$1500 plus travel per week. Is that in your budget? We have to evaluate what training can reasonably be done internally and in what time frame.

- 5. Communication, Communication, and more communication:** We often get frustrated at the plethora of email threads that clog our inboxes. Often,

we ask ourselves, "Why am I even on this thread?" I would argue that over communication is far better than under, or no, communication. When a person departs a facility, care should be taken to cascade this information throughout the management structure of the organization. In fact, there should be a formal communication process in place for such notices. We often fail to realize the impact that a person's departure may have on departments totally unrelated to that in which they worked. Better to over communicate the departure and ensure that all who need to know, do. The same goes for the hiring of replacement personnel, especially if the new person is in need of training by subject matter experts in the company. You can't train a person if you are not aware that that person is even an employee of the company.

We have talked about personnel departures at length, but what about temporary absences? This can range from simple vacation coverage all the way through extended medical or FMLA leaves. Perhaps the person responsible for your PSM/RMP program implantation is going out on medical leave. Perhaps your lead operator is taking FMLA leave. All of these situations should be planned for and addressed as part of Management of Change.

Another example of an organizational change may be switching property insurance carriers. Perhaps your new carrier has different requirements for hot work permitting that will need to be rolled into your PSM/RMP program. How about if your company changes from a paper based to a computer based document storage system? Or, let's say that the organization already has computer based document storage system, but is changing it from server based to cloud based. What if the IT department is

maintaining server based storage, but is switching data centers? How about if they decide to switch email systems? Can we say for certain that new email addresses won't impact our PSM/RMP management? These types of organizational changes should also be managed as part of Management of Change.

Management of Change is broader than simple equipment and operating procedure changes. Care should be taken to evaluate all changes to facilities that affect a covered process, including organizational change.

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