



Managing Change
 Barbara Rich, Honeywell Federal Manufacturing & Technologies
 September 13, 2011

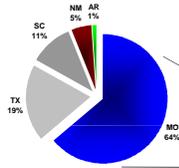
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Who is Honeywell FM&T?

Honeywell: 2010 Revenue: \$33B



Aerospace \$11B
 Automation & Control Solutions \$13B
 Transportation Systems \$4B
 Specialty Materials \$5B

FM&T, LLC

Operating US Government Contracts with Oversight Provided by the National Nuclear Security Administration

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FM&T: A History of Transformation



One-of-a-kind facility then and now

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Key Elements of Change

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Why Change?

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Why FM&T Pursues Change

- Mitigate Strategic Challenge
- Advance Strategic Advantage
- Strengthen a Core Competency
- Support Envisioned State
- Create a Differential Advantage

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First to Change

Advantages

- No Baggage
- You Get Noticed
- Subsequent Changes are Easier
- You See Your Training in Action

Disadvantages

- No Roadmap as a Guide
- You Get Noticed
- Makes People Nervous
- Balancing Maturity Levels Adds Difficulty



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Change What?



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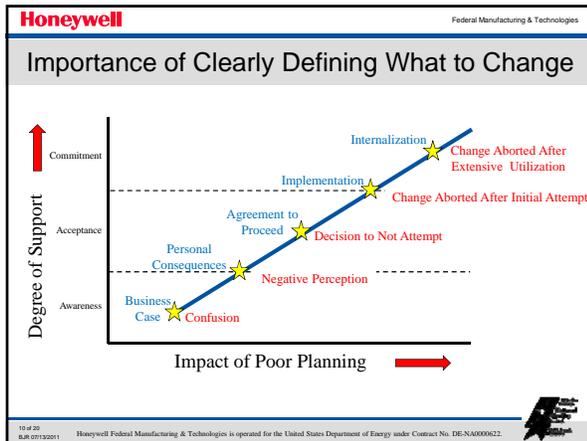
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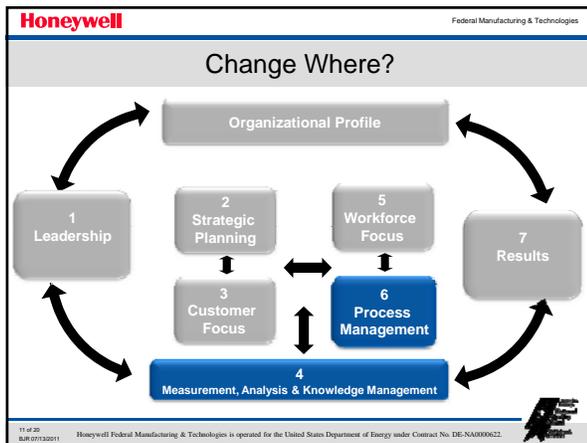
FM&T Leaders Communicate What to Change

- **Create and embrace a vision** and inspire others to meet organizational goals
- **Think strategically** and critically analyze details
- **Create a positive environment** where everyone can flourish and be successful

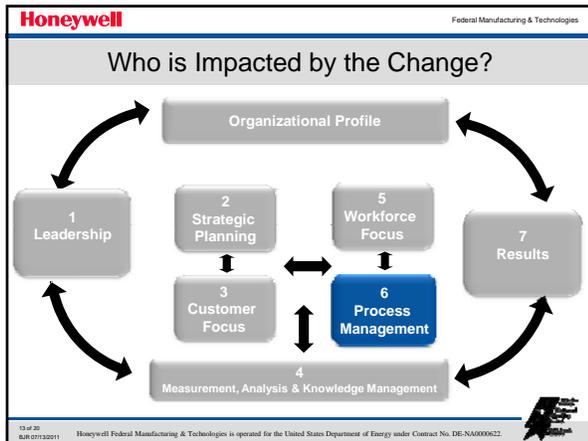


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- ### FM&T Manages Change Using Six Sigma
- **Define**
 - Strategically lead the way
 - **Measure**
 - Determine key milestones and measure them along the way
 - **Analyze**
 - Be agile.... don't stay the course if you are going the wrong way
 - **Improve**
 - Look beyond yourself to improve
 - **Control**
 - Maintain the balance between creative innovation and control
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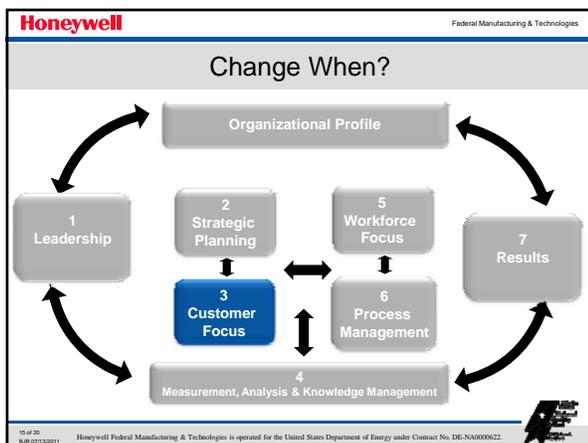
Integrate the Who with Honeywell Culture

Values Behaviors Results

Honeywell Values / Behaviors:
 Growth and Customer Focus
 Leadership Impact
 Gets Results
 Makes People Better

Champions Change and Six Sigma
 Fosters Teamwork and Diversity
 Global Mindset
 Intelligent Risk Taking
 Self-Aware/ Learner
 Effective Communicator
 Integrative Thinker
 Technical or Functional Excellence

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Balancing People, Capacity & Customer

Segment Customer Demand Forecast by Market Segment

Strategize Resource Allocations with Strategic Business Centers

Balance Demand with Business Center Strategies

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Change How?

1 Leadership

2 Strategic Planning

3 Customer Focus

4 Measurement, Analysis & Knowledge Management

5 Workforce Focus

6 Process Management

7 Results

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Consider All Aspects of Change

Strategy

Management Systems & Processes

Structure

People Capability

Metrics & Rewards

Effective & Sustained Change

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Balancing Metrics and Rewards

Willingness
Positive or Negative Consequences will motivate an individual to move away from the status quo

Status Quo

Ability
The ability of a resource / tool / process / skill will make me able to move to perform in the desired state

Desired State

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Lessons Learned

- Leaders Must Expect Change To Foster It
- Have The Willingness & Courage To Change
- Envision An End State And Achieve It
- Create A Culture & Structure For Change
- Reward Successes & Be Willing To Make Mistakes

Don't change just to change!

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