

HIGH ROAD TO WORK ORGANISATION

CASE STUDY

Bausch & Lomb Ireland



IPC

Irish Productivity Centre

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Abstract

The ongoing change process at Bausch & Lomb has demonstrated the importance of not dwelling on previous attempts to develop trust, which had yielded limited results. The key role of communications was vital as was the existence of a central Steering Group. The dissemination of key business information with linked training, in order that the implications were fully appreciated, was a central activity. A role was created for an element of external facilitation and in addition links with external Networks and training/learning providers were forged. The change process also in-corporated progress towards the external accreditation of prior learning (APL).

Throughout the process a partnership ethos was forged between the Company as its Unions and a workshop on 'Understanding Partnership' is now an element in induction training for employees. The case shows the importance of devoting time, energy and patience to the change strategy.

HI-RES Case Study: BAUSCH & LOMB IRELAND

Sector

Manufacturing Contact Lenses

Key Words

Partnership; training; change strategy; facilitation.

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'Good Practice' Case Study: Bausch and Lomb

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1. Background Information

Bausch & Lomb Ireland, a subsidiary of a U.S. parent organisation, manufactures a range of contact lenses at its Irish facility in Waterford for export to Japan, which is its main market. The company base was established in Ireland in 1980 and at that time it employed around 200 persons. In the intervening years while the work processes remained labour intensive, the company also invested in new technology achieving significant economies of scale and this investment has resulted in a major increase in production output. Consequently the number of employees has now grown to 1500 with the possibility of further recruitment in the future. Two different Unions represent the employees in the plant: SIPTU represents the operator grades while the TEEU represents craft workers. Technical and clerical grades are not represented by any trade union. Over the last number of years the parent organisation has again begun to re-concentrate on its core business in eye products such as contact lenses, ophthalmic solutions and laser surgery. While in the past Bausch & Lomb has dealt mainly through opticians and the professional market it is now gradually expanding its base to include a more direct approach to consumers and the company believes that this action will further increase its competitiveness world-wide. Since production began at the Waterford facility, Bausch and Lomb have introduced *Just in Time* and *Continuous Improvement* initiatives whilst working towards a *World Class Manufacturing* platform. All of these changes have had an effect on people's jobs and have directly led to a resulting increase in training and developmental activity.

2. Drivers for Change

The following issues were central in the organisation's innovations towards change:

- At the parent company level major changes in organisational strategy were underway in the '90s and the implications of such change, which for example, saw a re-concentration on eye related products such as contact lenses, ophthalmic solutions and laser surgery carried considerable technical implications for individual plants.
- The organisation was also becoming more consumer driven, in part through the adoption of a strategy of dealing more directly with clients and less through intermediate third parties such as opticians.
- There was a need to integrate a US based philosophy of employee development with the changing Irish employee relations' trends of the '90s and in particular with the emerging National climate in Ireland which underpinned partnership initiatives.
- Prior to the change process the time involved in negotiating agreements on work related issues in the traditional but conventional adversarial-based I.R. system tended to negate any outcomes of the negotiations.

3. Characteristics and Process of Change

The following initiatives were central to the overall change process:

- Early efforts in 1992-1994 were met with limited success but with some external facilitation and a considerable investment of time and patience a trust climate was brought about over the subsequent years. It was not until 1996 that all the parties agreed to come together and to move towards an overall Partnership Agreement, which saw the creation of a Partnership Forum in 1998.
- While the partnership platform is central, it was always a Bausch & Lomb philosophy to create a World Class Manufacturing (WCM) environment at the plant involving Just-in Time (JIT) and Continuous Improvement (C.I.) techniques.

- The emphasis on change was business driven and was primarily adopted to cope with business and market pressures; accordingly business/financial literacy was central to the change process and all employees are encouraged to study and understand the key business ratios that underpin the company's progress. It is now accepted that in a modern organisation, such as Bausch & Lomb, coping in a global marketplace needs employee sensitivity to business issues.
- The creation of the Partnership Forum was a central plank in the overall process and it is still of pivotal influence. It meets monthly, has a membership of 18 persons and is representative of all interest groups throughout the plant. New members to this Forum avail of intensive training in order to be better able to discharge their roles as Forum members. Emphasis is on the so-called 'soft-skills' of communication, problem solving and active listening, etc.
- It has been found that the conduct of training and development at external venues has helped a trust building process since the psychological barriers derived from older work-placed practices are removed.
- Training & Development is at the heart of the change process with increasing autonomy been given to employees over their choice of training content and methodology. Participation in external courses is encouraged with fees been paid by the company on the successful completion of the relevant course(s).
- In conjunction with a local educational establishment - The Waterford Institute of Technology - an introductory accreditation of Prior Learning Programme (APL) is underway. It is hoped that this initiative will help create a 'life-long' learning climate in the organisation.

4. Obstacles to Change

The following prevailed at various times:

- Earlier attempts to implement change had met with limited success and accordingly a degree of scepticism existed around change initiatives.
- Fears of possible job losses meant that individuals inevitably perceived change initiatives as leading to redundancy.
- The presence of two Unions along with the existence of a number of non-unionised staff meant that varying degrees of tension would apply.
- The traditional negotiating procedures were well entrenched and time consuming in their operation.
- The initial relative lack of knowledge among many employees regarding the overall nature of the business restricted opportunities to innovate.

5. Risk Analysis

An overview of this successful change process gives rise to a few questions for more general consideration which include:

- The success of the Company worldwide in the latter part of the '90s provided an excellent base for progress.
- In the event of a drastic fall in market demand the opportunities afforded to employees to avail of training and dynamic career paths could arguably be constrained.
- The change process based on a partnership model was underpinned by the National climate that prevailed in Ireland in the '90s whereby the Government and other Social Partners reached broad agreement on issues such as scale of pay rewards. In the absence of such a climate it might be more difficult to generate the same trust environment.

To a degree the above points are redundant in the sense that any change initiative can only operate and take shape within the economic and social trends that prevail. On the other hand it might be argued that particular change strategies suit certain economic and social climates.

6. Benefits of Change

- The partnership approach has greatly assisted the business performance of the company.
- A Central Steering Group has been created that acts as a major catalyst towards ongoing change.
- Financial and related business information is now readily available to employees and linked training is provided to assist assimilation. This has created a broad sensitivity to the external demands placed on the company.
- The success of the change initiative(s) to-date has consolidated the position of the Irish plant in the worldwide Bausch & Lomb network.
- A climate of learning has been created throughout the Company thus opening up career paths not previously thought possible by many employees.
- External networking with other organisations both in formal and informal networks has further facilitated learning.
- The linkage established with a local Educational Institute has created the opportunity to accredit prior learning.

Future Trends, Opportunities and Constraints

- A learning culture based on partnership will continue to prevail.
- Training needs will continue to be identified close to the workplace itself with innovative content and methodological approaches following on.
- The partnership base ought provide a platform to tackle any changes in the marketplace that will affect Bausch & Lomb in Ireland.
- The nature and growth of the overall Bausch & Lomb operation in Ireland will of course be affected by the strategic policy of the Company worldwide and by the related market demands. It is naturally impossible to totally anticipate such trends but the existence of a cost effective and flexible operation in Ireland should augur well for its survival and participation in any new business ventures.

Conclusions

- Despite earlier limited success it is possible with perseverance to design and implement a major change strategy based on partnership and learning.
- Agreement between Union(s) and Management and the creation of relevant partnership structures is vital to success.
- There is an inherent desire in individuals to learn and to increase their knowledge / skill profile(s). Accordingly learning, training or development is an excellent subject to act as a catalyst for partnership initiatives towards change as it is possible to point to the opportunity for mutual gains.
- There is little point in expecting early results from a change process, as there will inevitably be an incubation period before outcomes will emerge. It may be important that people be aware of this at the outset lest their commitment and enthusiasm is eroded.

- Good communications allied to the open dissemination and discussion of the overall financial/business position of the Company is a key factor.
- External linkages involving participation in business and learning networks can strengthen the internal dynamic for change.

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