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# FEW-VITAL [PRIORITY] BASED CHANGE MANAGEMENT AND PARETO PRINCIPLE

Few-vital [Priority] Based Change Management is a strategic approach that focuses on identifying and prioritizing a small number of critical elements or priorities that are essential for the success of change initiatives within an organization. This method is rooted in the Pareto Principle (also known as the 80/20 rule), which suggests that roughly 80% of the effects come from 20% of the causes. By applying this principle, organizations can effectively manage change by concentrating their efforts on the most impactful areas.

## Key Concepts and Principles

### 1. Identification of Vital Few Priorities:

- **Analysis and Assessment:** Conduct a thorough analysis of the organization's current state, goals, and the external environment to identify the few vital priorities. These are the key areas or activities that will have the most significant impact on achieving the desired change.
- **Data-Driven Decision Making:** Utilize data and metrics to support the identification process, ensuring that the selected

priorities are based on objective evidence rather than subjective opinions.

**2. Focused Resource Allocation:**

- **Resource Optimization:** Allocate resources (time, budget, personnel, etc.) to the identified vital priorities, ensuring that the most critical areas receive the necessary support to succeed.
- **Avoiding Resource Dilution:** By focusing on the vital few priorities, organizations can avoid spreading their resources too thinly across too many initiatives, which can lead to inefficiencies and suboptimal outcomes.

**3. Strategic Planning and Execution:**

- **Clear Objectives and Goals:** Establish clear objectives and goals for each of the vital priorities, ensuring alignment with the overall organizational strategy.
- **Action Plans and Milestones:** Develop detailed action plans with specific milestones and deadlines for each priority, facilitating effective monitoring and control of progress.

**4. Continuous Monitoring and Adjustment:**

- **Performance Metrics:** Define and track performance metrics to assess the progress and impact of the change initiatives related to the vital priorities.
- **Feedback Loops:** Implement feedback loops to gather input from stakeholders and make necessary adjustments to the action plans and resource allocation.

**5. Leadership and Communication:**

- **Strong Leadership:** Ensure strong leadership support for the identified priorities, with leaders actively championing and driving the change initiatives.
- **Effective Communication:** Maintain open and transparent communication with all stakeholders, providing regular updates on progress and addressing any concerns or resistance.

## **Example: Implementation in a Manufacturing Company**

### **Context**

A manufacturing company is experiencing declining market share due to outdated production processes and increasing competition. The company's leadership decides to implement a few-vital [priority] based change management approach to turn the situation around.

## **Steps**

### **1. Identification of Vital Few Priorities:**

- The company conducts a comprehensive analysis of its operations, market trends, and competitive landscape.
- It identifies three vital priorities: upgrading production technology, enhancing workforce skills, and improving supply chain efficiency.

### **2. Focused Resource Allocation:**

- The company allocates a significant portion of its budget to acquire and implement advanced production technologies.
- It invests in training programs for employees to enhance their skills and adapt to new technologies.
- Resources are directed towards optimizing supply chain processes, such as implementing a just-in-time inventory system.

### **3. Strategic Planning and Execution:**

- Clear objectives are set for each priority, such as reducing production costs by 20% through technology upgrades and achieving a 95% on-time delivery rate through supply chain improvements.
- Detailed action plans with specific milestones are developed for each priority, including timelines for technology installation and training completion.

### **4. Continuous Monitoring and Adjustment:**

- Performance metrics are established, such as production cost per unit, employee productivity rates, and supply chain efficiency measures.
- Regular feedback is gathered from employees and suppliers to identify any challenges or areas for improvement.

### **5. Leadership and Communication:**

- The company's leadership actively supports the change initiatives, with the CEO personally overseeing the progress of the vital priorities.
- Regular communication is maintained with all stakeholders, including employees, suppliers, and customers, to keep them informed and engaged in the change process.

## **Outcome**

By focusing on the few vital priorities, the manufacturing company successfully upgrades its production processes, enhances workforce skills, and improves supply chain efficiency. As a result, it achieves significant cost savings, increases production efficiency, and regains its competitive edge in the market.

## **Discussion**

The few-vital [priority] based change management approach offers several advantages. By concentrating on the most critical areas, organizations can achieve a higher impact with fewer resources. This approach also promotes strategic alignment, as the selected priorities are directly linked to the organization's overarching goals. Additionally, it fosters accountability and clarity, as all stakeholders are aware of the key focus areas and the expected outcomes.

However, this approach also has its challenges. Identifying the true vital priorities requires a deep understanding of the organization and its environment, which can be complex and time-consuming. There is also a risk of overlooking other important areas that may not be deemed as vital but still contribute to the overall success of the change initiative. Therefore, it is essential for organizations to regularly review and adjust their priorities as needed, ensuring a balanced and holistic approach to change management.

In conclusion, few-vital [priority] based change management is a powerful strategy for effectively navigating organizational change. By focusing on the critical few areas that drive the most significant impact,

organizations can achieve their desired outcomes more efficiently and effectively.

Certainly! Let's delve deeper into the nuances of Few-vital [Priority] Based Change Management by examining its application in different contexts, exploring its theoretical underpinnings, and discussing potential pitfalls and mitigation strategies.

## **Further Application Scenarios**

### **Scenario 1: Healthcare Sector**

#### *Context*

A hospital is facing challenges with patient satisfaction due to long waiting times and inefficient service delivery. The administration decides to employ a few-vital [priority] based change management approach.

#### *Steps*

##### **1. Identification of Vital Few Priorities:**

- Through patient surveys and operational assessments, the hospital identifies two critical priorities: improving appointment scheduling systems and streamlining patient check-in processes.

##### **2. Focused Resource Allocation:**

- Investments are made in advanced scheduling software that can handle dynamic appointment booking and cancellations efficiently.
- Resources are allocated to redesign the check-in process, incorporating digital kiosks and mobile check-in options to reduce bottlenecks.

##### **3. Strategic Planning and Execution:**

- Objectives include reducing average patient wait times by 30% and achieving a 90% patient satisfaction rate in the next year.

- Action plans detail the rollout of new technologies and training for staff on new procedures.
- 4. **Continuous Monitoring and Adjustment:**
  - Metrics such as patient wait times, check-in processing times, and patient feedback scores are tracked regularly.
  - Feedback from patients and staff is used to fine-tune the new systems and processes.
- 5. **Leadership and Communication:**
  - The hospital's leadership team actively communicates the importance of the changes to staff and patients, highlighting the benefits and addressing concerns.
  - Regular updates on progress and success stories are shared to maintain momentum and buy-in.

## **Scenario 2: Educational Institution**

### *Context*

A university aims to enhance its research output and global ranking. The administration adopts a few-vital [priority] based change management strategy.

### *Steps*

1. **Identification of Vital Few Priorities:**
  - Through benchmarking and internal reviews, the university identifies two main priorities: increasing research funding and enhancing faculty development programs.
2. **Focused Resource Allocation:**
  - Significant resources are directed towards establishing a research grant office to help faculty secure funding.
  - Investments are made in faculty development programs, including workshops, sabbaticals, and collaborative research opportunities.
3. **Strategic Planning and Execution:**

- Goals include increasing research grant income by 50% and improving the university's global ranking within five years.
- Detailed plans outline steps for grant writing support, partnerships with industry, and faculty training schedules.

#### **4. Continuous Monitoring and Adjustment:**

- Key performance indicators such as research grant success rates, number of published papers, and faculty satisfaction are monitored.
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- Adjustments are made based on feedback from faculty and analysis of performance data.

#### **5. Leadership and Communication:**

- University leadership champions the initiatives, communicating their significance to stakeholders and celebrating early wins.
- Regular town halls and newsletters keep the university community informed and engaged.

### **Theoretical Underpinnings**

#### **Pareto Principle (80/20 Rule)**

The few-vital [priority] based change management approach is grounded in the Pareto Principle, which posits that 80% of the effects come from 20% of the causes. This principle is applied to focus on the few critical areas that will drive the most significant impact. The idea is to avoid the common pitfall of spreading efforts too thinly across many initiatives, which can dilute the effectiveness of change efforts.

#### **Lean Management**

Lean management principles also influence this approach, emphasizing the elimination of waste and the focus on value-added activities. By identifying and prioritizing the vital few, organizations can streamline their processes, reduce inefficiencies, and enhance overall performance.

## **Potential Pitfalls and Mitigation Strategies**

### **Pitfall 1: Misidentifying Vital Priorities**

#### *Mitigation:*

- Conduct comprehensive and data-driven analyses to ensure accurate identification of priorities.
- Involve diverse stakeholders in the identification process to gain multiple perspectives and insights.
- Regularly review and reassess priorities to ensure they remain aligned with organizational goals and external conditions.

### **Pitfall 2: Resistance to Change**

#### *Mitigation:*

- Engage and communicate with all stakeholders from the outset to build understanding and buy-in.
- Provide training and support to help employees adapt to new processes and systems.
- Address concerns and resistance promptly through transparent and empathetic communication.

### **Pitfall 3: Overlooking Secondary Priorities**

#### *Mitigation:*

- While focusing on the vital few, maintain awareness of secondary priorities and ensure they receive necessary attention.
- Develop contingency plans to address potential risks associated with neglected areas.
- Foster a culture of continuous improvement where all areas of the organization are periodically reviewed and optimized.

### **Pitfall 4: Inadequate Resource Allocation**



### *Mitigation:*

- Align resource allocation with the identified priorities to ensure they receive sufficient support.
- Monitor resource utilization and adjust allocations as needed to address emerging challenges or opportunities.
- Ensure leadership commitment to providing the necessary resources for successful implementation.

## **Conclusion**

Few-vital [priority] based change management is a powerful approach that leverages the Pareto Principle to drive effective organizational change. By focusing on the critical few areas that will yield the most significant impact, organizations can optimize their resources, achieve their strategic goals, and navigate change more effectively. However, it requires careful identification of priorities, robust planning and execution, continuous monitoring and adjustment, and strong leadership and communication to overcome potential pitfalls and ensure success.

## **Relationship with the Pareto Principle**

The Pareto Principle, also known as the 80/20 rule, states that roughly 80% of the effects come from 20% of the causes. In the context of Few-vital [Priority] Based Change Management, this principle is applied to identify and focus on the small number of critical factors that will have the most significant impact on the success of change initiatives.

### *Application of the Pareto Principle in Change Management*

#### **1. Identification of Key Drivers:**

- By analyzing various aspects of the organization, such as processes, resources, and outcomes, managers can identify the key drivers that disproportionately affect performance.
- These drivers are typically a small subset of the overall activities but have a substantial impact on the organization's success.

## **2. Prioritization of Efforts:**

- Once the vital few priorities are identified, efforts are concentrated on these areas to maximize efficiency and effectiveness.
- This prevents the common issue of spreading resources too thinly across too many initiatives, which can lead to suboptimal results.

## **3. Efficient Resource Allocation:**

- Resources (time, money, personnel, etc.) are allocated based on the criticality of the priorities identified. This ensures that the most impactful areas receive the attention and support they need to drive change.

## ***Theoretical Foundation***

The theoretical foundation of Few-vital [Priority] Based Change Management is heavily influenced by the Pareto Principle. By focusing on the small number of high-impact factors, organizations can achieve significant improvements with relatively less effort compared to attempting to address all possible issues equally.

## **Examples of Few-vital [Priority] Based Change Management**

### **Example 1: Retail Business**

#### ***Context***

A retail chain is experiencing declining sales and customer satisfaction. The management decides to implement a few-vital [priority] based change management approach to turn around the business.

#### ***Steps***

### **1. Identification of Vital Few Priorities:**

- Through customer feedback and sales data analysis, the company identifies two critical priorities: improving customer service and optimizing inventory management.

### **2. Focused Resource Allocation:**

- Investments are made in customer service training programs and advanced CRM systems to enhance the customer experience.
  - Resources are allocated to implement an inventory management system that uses predictive analytics to ensure optimal stock levels.
- 3. Strategic Planning and Execution:**
- Objectives include reducing customer complaints by 50% and achieving a 20% reduction in stockouts within six months.
  - Detailed plans are created to roll out the training programs and implement the new inventory system.
- 4. Continuous Monitoring and Adjustment:**
- Metrics such as customer satisfaction scores, complaint rates, and inventory turnover ratios are tracked.
  - Regular feedback from customers and staff is used to refine the strategies.
- 5. Leadership and Communication:**
- The leadership team communicates the importance of these changes and keeps employees informed about progress and successes.
  - Regular updates are shared with customers to highlight improvements and encourage continued loyalty.

## **Example 2: Financial Services Firm**

### **Context**

A financial services firm aims to improve its market position by enhancing its product offerings and customer engagement. The management adopts a few-vital [priority] based change management approach.

### **Steps**

- 1. Identification of Vital Few Priorities:**
- Through market research and customer surveys, the firm identifies two key priorities: developing innovative financial

products and improving digital customer engagement.

**2. Focused Resource Allocation:**

- Significant resources are directed towards R&D for new financial products that meet emerging market needs.
- Investments are made in digital platforms and tools to enhance online customer interactions and support.

**3. Strategic Planning and Execution:**

- Goals include launching three new products within a year and increasing digital engagement metrics by 30%.
- Action plans detail the development and marketing of new products and the rollout of digital engagement initiatives.

**4. Continuous Monitoring and Adjustment:**

- Performance metrics such as product adoption rates, customer feedback, and digital engagement levels are tracked.
- Adjustments are made based on data-driven insights and customer feedback.

**5. Leadership and Communication:**

- The leadership team actively promotes the new initiatives and communicates their benefits to employees and customers.
- Regular updates on progress and success stories are shared to maintain momentum.

**Example 3: Public Sector Organization**

**Context**

A government agency is tasked with improving public services and operational efficiency. The agency adopts a few-vital [priority] based change management approach.

## Steps

### 1. **Identification of Vital Few Priorities:**

- Through stakeholder consultations and performance reviews, the agency identifies two main priorities: reducing service delivery times and enhancing transparency.

### 2. **Focused Resource Allocation:**

- Resources are allocated to streamline processes and implement e-governance solutions to reduce service delivery times.
- Investments are made in transparency initiatives, such as open data platforms and citizen feedback mechanisms.

### 3. **Strategic Planning and Execution:**

- Objectives include reducing average service delivery times by 40% and achieving higher public trust through improved transparency.
- Detailed plans are created for process optimization and the deployment of e-governance solutions.

### 4. **Continuous Monitoring and Adjustment:**

- Metrics such as service delivery times, citizen satisfaction, and transparency scores are tracked.
- Regular feedback from citizens and employees is used to refine strategies and initiatives.

### 5. **Leadership and Communication:**

- The agency's leadership actively promotes the changes and communicates their importance to staff and the public.
- Regular updates and success stories are shared through various communication channels.

Applying the Pareto Principle in Few-vital [Priority] Based Change Management helps organizations achieve significant improvements with focused efforts. This approach ensures that the most critical areas receive

the necessary attention and resources, leading to more effective and efficient change initiatives. However, it requires careful analysis and prioritization, as well as ongoing monitoring and adjustment, to ensure that the identified priorities continue to align with the organization's goals and external conditions.

By leveraging the Pareto Principle, organizations can navigate complex change environments more effectively, achieving their strategic objectives and driving sustainable growth and improvement.