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Change Management for Industry 4.0

How involving staff can lead digitalization projects to success

A white paper from Bosch Connected Industry



Management
Summary

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Management Summary

Industry 4.0 comes with major changes. Employees, in particular, are affected by new technologies. Studies show that two out of three change projects do not achieve the expected goal. Instead, they fail. This also applies to digitalization projects. But why does the introduction of Industry 4.0 solutions fail? Employees either use the implemented technologies inefficiently or not at all, so that the expected positive effect is lost. Moreover, many cross-divisional digitalization solutions do not answer the needs of the individual plants and are therefore not accepted by the associates.

Digitalization implies a lot more than the technical implementation of a new Industry 4.0 solution. It is a process that must also be driven and lived by the employees – and requires their expertise of existing workflows and processes. It is crucial that those involved understand the added value and, ideally, have a positive attitude towards digitalization, or at least a fearless one. They must feel well equipped to work with the new system daily. Many managers with staff and shopfloor responsibility underestimate the importance of involving shopfloor staff at an early stage when introducing and using the optimal digitalization solution. Often, the focus of the project is on the technology itself and on key performance figures, such as return on investment (ROI). Although the support from employees during the implementation has a decisive influence on these key figures, the “soft” human factor is easily overlooked.

Change management for Industry 4.0 aims at ensuring the acceptance and, above all, the efficient use of IIoT solutions. This includes involving stakeholders before, during, and after the project phase to ensure optimal implementation and long-term success. Of course, the investments and the required resources are initially higher. This white paper shows that these additional costs are entirely worthwhile, and why this is the case. The assumption is backed not only by experience gained from digitalization projects, but also by statistical data: studies show that the ROI is doubled and the chance of a successful IIoT implementation is up to 50 percent higher with change management.

About Bosch Connected Industry

Bosch Connected Industry offers software and services for Industry 4.0 in a comprehensive portfolio under the name NEXEED. Based on the needs of its own Bosch plants and warehouses, NEXEED optimizes manufacturing and logistics processes in terms of transparency, agility, costs, quality and time and supports employees in their daily work. With NEXEED, Bosch Connected Industry enables the digitalization of the entire value chain. Employees at locations in Germany, Hungary and China are continuously developing the portfolio. In addition to the interoperable Nexeed Industrial Application System for connected manufacturing, customers also receive individual solutions for specific applications, retrofit solutions for existing plants, as well as a wide range of services such as consulting, technical support, employee qualification, and implementation assistance.

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