

Transforming Manufacturing: Embracing Agile HR Practices for Rapid Industry Changes

By Teresa Gu, Group CHRO at ENNOVI (formerly known as Interplex)

In an insightful interaction with Global Woman Leader Magazine, Teresa explored the integration of agile HR in traditionally rigid manufacturing environments. She addressed the transformative value agile can bring, overcoming systemic barriers, rethinking hierarchy, and measuring resilience, adaptability, and team learning velocity.



How do you reconcile agile HR practices with the rigidity often seen in manufacturing, and where do you think agile adds the most transformative value?

The manufacturing industry is evolving and getting more dynamic nowadays. Automotive is one of the key segments for Ennovi. The transformation towards EVs in the automotive industry marks an interesting era for all.

The rapid changes in the industry demand that suppliers like us respond more swiftly to EV OEM requirements while maintaining the high quality of our products to ensure safety. Organizations must evolve to match up with this transformation.

A critical focus area for becoming a more agile and responsive organization is our people and organizational structure. To start, we must prioritize our internal customers – our employees. Traditional HR practices are no longer sufficient to address individual needs.

It's time to rethink organizational structure, breaking down hierarchies, and bridging gaps between traditionally siloed teams. Empowering frontline employees and fostering adaptability makes the organization more dynamic and better equipped to thrive in a rapidly changing environment.

What invisible or deeply embedded psychological or systemic barriers have you observed that resist agility in manufacturing? How do you identify and dismantle them without disrupting the existing workflow?

The biggest barrier is driving mindset and behavior changes effectively, how to tackle the resistance of change, resistance doing things out of our comfort zones. To tackle this barrier is exactly a change management process – prepare the team ahead of the transformation and bring them along the journey.

Help the team to understand the urgency and needs for the changes. Help the team understand how it relates to them as individuals and what are the benefits of the changes, highlight and recognize the role models for the team.

Ensure the team has a clear transformation scope in mind, feels safe about the transformation, and has the right tools available for them to be successful with the changes.

Manufacturing often relies on clear hierarchies, but agility thrives in flatter structures. How would you radically rethink hierarchy in a factory setting? Could this include concepts like rotational leadership or “leaderless” task forces for rapid project completion?

This would be my dream organization setup. To have a real agile organization, you will need a mature team who is accountable, embraces self-initiatives, and is very good at cross-functional and cross-regional communication.

What we are doing in Ennovi is performing some pilots. For example, we are piloting a rotating leadership in one of our key locations. We encourage three talents to step into a senior leadership position and share a consensus responsibility.

The three rotating talents could take turns in leading, and gain insights into each other's strengths and perspectives. This is also a good way to groom and develop talent. With this practice, we create a sense of ownership, empower talent, give them visibility to the senior management team, and foster trust and effective collaboration between the team members. To be an agile organization is a transformative journey for the manufacturing industry. Small steps help.

How would you build a culture that encourages micro-innovations by employees on the manufacturing floor? How would you incorporate these innovations in a way that builds agile practices into daily operations without relying on big, disruptive projects?

This is not a new concept in the manufacturing industry. Traditionally, we have a continuous improvement process in all sites to encourage every single employee to propose innovative ideas and implement the ideas.

This has been embedded into our daily operations for many years. To ensure this approach is sustainable, we also recognize positive behavior. We have five brand pillars in Ennovi; they are Global, Speed, Innovation, Best Talent, and Sustainability.

Every quarter, we recognize the individual employees/teams according to the five brand pillars during our global town hall. Innovation is a key pillar. The winners are recognized by the CEO directly. We aim to drive continuous improvement to enable a culture of innovation.

How would you measure abstract qualities like resilience, adaptability, and the velocity of learning among teams? Could these metrics become predictors of success for agile transformations, and if so, how?

Assessing the agile transformation is not always easy, as the quality of certain attributes is not easily measurable. My advice is to start with a set of focus metrics, linking to the end results the organization wants to achieve.

It is also very important to explain the metrics to ensure team members understand the metrics. NPS and velocity are some of the common agile metrics. For example, the velocity prediction accuracy improves with every iteration because they are based upon past velocity.

Understanding the team's average velocity helps measure sprint velocity accurately. However, velocity is relevant to a single team. To compare the velocity among different teams could be misleading.

Another common approach to measuring agile success is to gain insights through anonymous surveys. If the organization prefers not to engage external consultants, conducting simple sentiment surveys using internal resources is a good start. This quick and straightforward approach allows team members to share how they feel, how well they are doing as one team, etc.

The team morale is an important indicator of the performance. When you see the team is not happy, it is a good opportunity to ask why and listen to the team. To act quicker via simple

sentiment surveys will help to adapt and have the improvement action in place, and eventually bring the success of the projects.

About the Author

Teresa Gu has over 20 years of HR experience across manufacturing and service industries. With expertise in strategic business partnerships and change management, she has led HR transformations at Ennovi, ING Bank, and TE Connectivity, driving HR strategies, performance culture, and leadership development.