



**PRINCIPLE DYNAMICS
CONSULTING INC.**
RESULTS THROUGH INTEGRITY

Leadership Conversations

Part 2: Leading from the Heart and the Mind

» *Written by Douglas Ross*

There is an old saying – If you want to change the world, then change yourself. This requires that you learn to lead yourself out of mindsets and mental models that encourage complacency and a constant repetition of the same problems with similar solutions.



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Conversations are the key to leadership. Every conversation offers an opportunity to further both the individual development and the organizational direction. Conversations occur naturally with individuals and groups. We also have internal conversations with ourselves and the challenges we face as leaders.

There is an old saying – If you want to change the world, then change yourself. This requires that you learn to lead yourself out of mindsets and mental models that encourage complacency and a constant repetition of the same problems with similar solutions.

In case you think we are talking about others, we are not. We are talking about you. We all get caught in ways of thinking and acting. No one is immune. We all do a good job, but we all know the enemy of great is good and we are all guilty of becoming good at the expense of the greatness with us and our company.

Mindsets and Mental Models

Every one of us has a deep, internal dialogue at a very personal level. This deep inner dialogue is for the most part private and unspeakable. This dialogue contains the mindsets and mental models that we base our thoughts and actions on. Mindsets are what we think is important. They are values we hold. For example, we may value justice and equality for all people regardless of race, age or sex. Mental models are our assumptions about how the world works. For example, we may assume that leadership does not value justice and equality, so we continually see examples that support our mental models.

Looking Good/Being Good

One of our mindsets is to be good. One of our mental models is about what we need to do to be good. Sometimes we try to look good rather than being good. This involves presenting information in a certain way so that people will think you are good. Although this helps individuals, it doesn't help the organization. Being good means a whole lot more.

In fact, good may not be good enough anymore. In his book *Good To Great*, Jim Collins argues that the enemy of great is in fact good. Being good means we do not have to keep doing what we are doing. The rationale is that it got us this far, is reliable and true and it will get us into the next years. Unfortunately, globalization has challenged this mindset. Other countries and other companies, have set a new standard for good – higher levels of quality, lower costs, increased profitability, lean environments, and better people utilization. When this happens, they take market share and good is no longer good enough. So looking good becomes more insignificant in the survival of the organization. Edward Deming said that survival is not mandatory.

Confronting Reality

Being good today means that we need to be honest with ourselves and with each other. It means confronting and dealing with the systemic issues that face us today. It means being ruthless in our strategy to drive out waste and it means finding new creative ways to involve and engage every person in doing the right thing for the business.

We have unique problems and challenges that require difficult decisions. Decisions need to be based on reliable and valid data. The decisions must be made in the face of one cultural choice – does the allocation of resources to solve the problem lead us to or away from our vision. Does the decision drive people involvement and does it drive the results we need for the short and long term.

Simplifying the Complex

Competing in a world market can be confusing. Operating within a large corporation allows for a great deal of variability. Somehow we need to simplify all these complexities into a single organizing principle that unifies everyone and guides all decision making. This unifying principle must provide a common purpose and a practical direction to the future. It is through these two elements that trust is built throughout the organization.

I put this forth, not as the single unifying principle but more as the beginning point in building a community of supporters around a single principle. The focus of the principle is on building product the right way in the right time every time. The focus is also on rallying the whole organization around what we believe and how we can win this competition.

Accordingly, I propose as a starting point:

“We will be the best in the world by supporting the operator by safely producing world class quality products at benchmark costs by meeting takt time everytime through people engagement and a company specific lean Operating System.”

The idea is that all of our attention and activity will support the operator to meet takt time every time with virtually no waste. This therefore drives our costs down and our quality up.

Our Competitive Advantage

We read a lot about competition. We hear about their lean systems and their teamwork. We need to do the same thing and we need to do it better. We need to find our competitive advantage. It is closer than we think.

Our people are the competitive advantage. We all know that and we need to think about putting it in practice. They for the most part are hardworking, honest people who want to contribute to a winning team. They have the skills, the ability and the talent to do the job. They have families and communities relying on them. They just need the opportunity to contribute in a meaningful way.

They also want to be lead, that requires us to look within ourselves and to talk with each other to find the way. It is no different than a professional sports team – the organization and the coaches are responsible for the system. The players are responsible for implementing the system to the best of their ability. The tougher the competition, the more disciplined we need to be as a team. Our competition is tough, the talent is there, we need to find out where to focus our efforts and we need to find it quick.

Our Greatest Enemy – Blame and Denial

There are many naysayers in our world. Their voice needs to be heard for they point to the problems. What they don't see is that their problems all come right back to us as a leadership team.

The people on the floor constantly complain about leadership – what we don't see is that we are all leaders. We shift the blame up or sideways – if they only did this, then we would be successful. That may be true but it doesn't help the situation and it leaves everyone still at the same place.

We need to face the brutal fact that my leadership is being questioned. The answer to this question is not where to shift the blame or to deny my efforts. It is simply asking “what can I do differently” – how can I involve my people to support the operation – what is under my control, now add how can we make a difference today.

A Lean Operating System

The Japanese introduced the Toyota Manufacturing System. It is simply a foundation that provides common systems, goals, and pursues the elimination of waste. It was designed and perfected by a culture that has yielded significant rewards for that culture and for the customers they serve. Any company can steal with pride the ideas and concepts of that system but they can't implement it until they understand that the foundation must be created from the existing culture by the people on the floor who will make the product. Many people in companies believe that a manufacturing system is not another thing to do on top of what we do. It is the way we need to do things. It is a philosophy – drive out waste, support the operator and a set of tools that make the operators' job easier.

A company specific lean manufacturing system when utilized gives us the chance to compete on an equal playing field. It drives out waste, improves throughput and quality while driving waste down. It only makes sense to adopt it as quickly as possible.

Do the Right Thing

A culture of discipline exists when self disciplined people think about the right things such as root cause problem solving and take actions that drive out problems forever. Each of our people have a locus of control and within this area, they need to apply disciplined thought and action.

When they do this, they are engaged in the business. This locus of control gives them a focus that mentally, physically and emotionally challenges them. When they succeed and improve their area, they add value to our collective. The power of 2000 people doing this on a daily basis is the secret to the untapped potential.

Our Leadership

Our role is to coach and develop these processes in our people. Our role is not to problem solve but be the facilitators of problem solving. We need to set the example by modeling our agreed upon leadership behaviours and using the values and following the cultural priorities. They look to us to lead.



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PDCI Value Proposition - providing knowledge and guidance on cultural transformation processes to organizations struggling with the demands of implementing projects that involve significant procedural and process change.

PDCI Vision - aspiring to be amongst the world leaders in cultural transformation by developing and earning a reputation as a consulting firm that focuses and delivers on a "Results through Integrity" process.

PDCI Mission - guiding leadership teams and their executives on achieving cultural transformation through personal and organizational integrity and then facilitate the implementation of performance strategies and tactics.