

## Section I

### ***Transforming the Organization »Shift is needed***

#### **1**

#### ***Are you measuring the right things?***

Our culture focuses on numbers as a primary method of measuring change. For the past 14 years I have been working with senior managers and executives, many of them seasoned engineers in the automotive, aerospace and high-tech industries. These highly skilled professionals have learned through their education and professional career experiences that if they can calibrate (or measure) a change in their project or design then they can trust the outcome. Measurement is everything; or, at least, it's crucial to them. Given the speed at which our businesses and manufacturing sites operate today, the belief about having to measure everything, especially with numbers, slows them down and may limit their ability to make good decisions. Numerical (quantitative) measurements are simply not enough.

I am referring specifically to the work of Dr. Deming, a statistician who for much of his professional life relied on numbers, specifically quantitative measures, to determine success. In the latter part of his life he realized that more was needed: qualitative data were vitally important to the measurement of change. It is qualitative data that are inherent in people's stories about what is happening in their organization.

When we focus on numbers alone as a means of initiating and managing change, we miss a huge piece of what's required to bring about purposeful, quality-driven improvements. Dr. Deming added three components beyond numerical measurements in what he referred to as *Profound Knowledge*. He reminded North American businesses and manufacturing organizations that in order to bring about major changes the leaders need to:

- understand how people think (qualitative measurement)
- understand how people learn (qualitative measurement)
- understand the system in which they work (qualitative measurement)
- establish some form of quantitative measurement

Qualitative measurement is not about numbers. It is more of an internal calibration, which might also be known as intuition. Barely tangible, intuition requires that we trust feelings deep inside ourselves. These feelings are often hard to describe, let alone measure. One of my colleagues aptly stated, "We may not be able to describe our feelings but we sure know we are alive when we're feeling." Good leaders have learned to trust their feelings. They use feelings, intuition and life experience when they are making major company decisions and thus become more powerful leaders. . . .

. . . We have come to value numerical measurements in the workplaces of our country, where we are consistently reminded that “if something can’t be measured quantitatively with real numbers, it doesn’t count.” And yet this statement is just not true.

. . . We measure what we can experience with our senses, namely, behavioral performance, the things we can see, touch, hear, taste and smell. In this senior manager’s corporation the top 5 percent are rewarded with huge bonuses. By doing this, the executive leadership team has inadvertently created an environment where the other 95 percent are demotivated, disempowered, discouraged and restless. These are feelings. Loyalty, creativity and innovation disappear as people update their resumes and begin to look at “outside” opportunities.

Some things are more important to measure than others. Start asking people in your work environment how they feel and what they need to have happen in order for them to succeed. When employees are overloaded with measurement tasks and when they are not invited to say how they themselves could contribute to improvements, their interest in work and their commitment to the company begin to dwindle. If you are in a leadership position, it’s important to pay attention to the other kind of measurement, namely qualitative—how people learn, how they think, and how the system works for and against them as they perform their daily responsibilities. Translated, this means you need to pay attention to the perception of managers, employees and even vice-presidents about your company.

Their perception of the situation is significant. If employees don’t like the way you lead, they won’t support your goals or your direction. Can you afford to have this happen? I suggest that quantitative measurement provides only part of the information that’s needed.

Dr. Deming often talked of things that “can’t be measured,” referring specifically to thoughts and feelings. Feelings cannot be measured except by the one who is feeling them; behavior, however, *can* be measured. Take Brian, for example—a senior manager in a high-tech firm who is faced with having to let employees go. For at least three days he has been thinking about how to do this without causing undue discomfort for anyone, himself included. “How will the employees respond?” he wonders. Brian’s concern is one that many managers share.

Brian’s behavior can be measured. Those around him can see, just by looking at his face, that he isn’t smiling as much as he usually does. The number of times that he smiles in a day can be measured. The strain in his voice and his short, one-word responses in place of his usual friendly conversational style can actually be measured in numbers. While it is important to be able to measure something, in this case it is equally important to discover how Brian thinks, how he learns and what exactly in the organizational system causes him stress.

We might guess that he is stressed about the exit interviews. But the truth is that we really don’t know what is going on inside Brian’s mind until we speak with him. We can measure his behaviors quantitatively, but we don’t really know what his behaviors mean to him. Qualitative measurements are important because they give us additional, essential information. We know that how people feel at work impacts how they behave at work. When they are upset, distressed or worried, their ability to provide maximum performance is often impaired.

I work with a great number of linear thinkers. As our working relationship begins, many of them tend to dismiss “feelings” as unimportant. I ask them, “Does this mean that when an employee is worried and preoccupied with his wife’s illness, with his son’s poor behavior at school or with his own career opportunities, his feelings are to be ignored?” We then discuss how the client’s perception of his own experience impacts his behavior in his professional management role. While his feeling of anxiety, for example, can’t be measured quantitatively by anyone but himself, his performance—what he actually does in behavioral terms—can be measured. The notion that “feelings don’t matter” is dangerous because feelings do exist. You can feel such things as rage, irritation, joy, passion and sadness, to name a few. Even if you can’t put words to the feelings, other people can see evidence of your feelings in your behavior. They can see rage in your face, an angry flailing fist, or compassion in your arms as you hold a colleague who has just lost a child. And it is feelings of comfort, excitement, confidence and trust that guide major business discussions and technical purchases. Statistics simply support the decisions.

**Quality is never about things.** It’s about people. It’s especially about how people think, how they feel and how they perceive the system in which they work. Think about this! What happens to your feelings if you are discouraged from expressing them? Your feelings and concerns at work are often about people, about your colleagues’ behaviors and your leaders’ responses. What happens to feelings such as concern, irritation, worry or anger when they are held inside? My observation is that they go underground and pop up somewhere else as a quality issue. Feelings are our blueprint for behavior. While we can’t see them, our body definitely experiences them. Failing to address the employee’s situation by not talking about work-related and perhaps even personal issues that concern him can create greater problems. He is forced to contain his real responses as he holds his feelings inside. The risk exists that his feelings will show up in some other way that impacts quality.

### **EXERCISES (a few from this chapter in SHIFT)**

**Remember, feelings are a form of measurement. Have a look at your personal life and notice the parallels at work. By addressing the following questions, discover how you deal with your feelings and consider a few methods to deal with them differently.**

Notice how you feel when admiring a painting, one that you find esthetically beautiful. Use this as a base measurement for comparing how you feel when you are at work. Are there times when you feel at peace with your work and confident in just proceeding with it?

What feelings appear when your boss praises your good work to your team? Say “thank you” and allow yourself to experience the positive feelings that you have earned. This will help you do even better work as you proceed.

When your boss consistently rewards others and ignores your contribution, what goes on inside you? Describe the feeling. Notice how your feelings impact your work performance. Spend some time when you get home writing about how you felt. When you write about your experience you get the feelings outside of yourself in a concrete way by putting them on paper. When the feelings are on paper, you can actually get rid of them in a physical way by tearing the paper into

small pieces and throwing it in the garbage or burning it. This is a very concrete way to get rid of bad feelings.

Your company is beginning to lay people off. Talk with your colleagues about how they feel and in doing so identify the feelings that you have begun to experience. Talking about your feelings allows you to release the tension and fear associated with this kind of event.

**What is leadership anyway?**

*Leadership can never stop at words. Leaders must act, and they do so only in the context of their beliefs. Without action or principles, no one can become a leader.*

Max DePree, *Leadership Jazz*

Max DePree is the former president and CEO of Herman Miller Furniture in Zeeland, Michigan. The guiding principles and values that seeded the growth of the parent company are the same ones that are prevalent in the company today. It's common to find that the beliefs, values and norms of companies are the same ones that were present among the founding fathers. They get carried along year after year and become established as part of the "bone-deep" beliefs of the current culture.

The characteristics that we assign to a powerful leader are often traits that have been required in the past. They may no longer be sufficient to lead in the knowledge-based cultures of today. Fixed on a paradigm of known leadership traits, we continue to revere charisma, visibility, good public speaking, logical thinking, a strong sense of order and the ability to measure almost everything. But maybe we're measuring the wrong things. (See Chapter 1, "Are you measuring the right things?" for more on this.)

Change is the norm. When change is managed with human potential in mind, employees are motivated, trusting, creative, innovative and willing to take greater risks to improve quality. All of these skills are required as companies are driven to respond faster, cheaper, with fewer resources and higher quality—all to satisfy greater customer/client/consumer demands. These demands, of course, slow the search for an improved work environment.

This new dynamic demands a significant paradigm shift on the part of the leader. The role of the leader is to be in touch with the beliefs and values of the workforce and to begin by understanding himself. It is the beliefs and values of employees at all levels that allow for quality service and high levels of productivity. When a leader is really in touch with employees he can begin to mobilize employee enthusiasm and capabilities, and capitalize on the emerging business potential.

To make good and timely decisions, leaders need information from all levels of the organization. In most organizations, executive teams consistently receive information through the chain of command, successively filtered by each layer of management. As a result the leader is unable to hear the direct voice of his employees. A forum is required where employees can speak directly with executives about how senior-level decisions really impact quality. Does your company have a forum for this connection to take place?

When a forum for connection is in place, employees experience a meaningful and useful link with their senior team. The way employees are treated is directly linked to their own perception of being valued in the company. What they focus on expands. If they think they are valued, they work hard to provide value. The reverse is also true.

Let's look at fear for a moment. Whenever there is fear in a workplace, quality is at risk. If you are not sure about how fear sounds in your work environment, notice the following comments. All of these were spoken in a fear-based workplace.

- "I had better not say or do that again."
- "There is no way for me to win in this situation."
- "Here we go with more of the same, just packaged differently."
- "Doing this would be a career-limiting move."
- "My manager doesn't listen to our ideas."

In a highly innovative and trusting environment, these statements would sound different.

- "Things were different last month. Let's try this idea again."
- "No matter what we do, it is going to give us insight about the next steps."
- "The company tried this before but the circumstances were different."
- "My boss is generally very supportive. He encourages us to try different things."
- "The result was disappointing but the intention and the effort were great. Let's see what we can achieve in this next phase!"

Collaboration is required, and much more. "What more?" you might ask. Have a look at those around you whom you consider to be highly effective and inspiring. Do they display the emerging leadership skills mentioned below? These skills are gentler yet more powerful in nature than the traditional leadership traits. These skills result from an environment of trust.

**Declaration—she declares where she stands..**

**Silence—he finds moments to be still.**

**Not knowing—she suspends her need to have answers.**

**Listening—he listens differently.**

**Intuition—she trusts her own intuition and the intuition of others.**

**Flexibility—he is flexible in his style.**

**Learning—she encourages individual responsibility for learning.**

**EXERCISES** - List the leadership skills that are rewarded in your company. Where are they stated? Are they part of the mission statement? Are they found in policy form? How do you know which leadership skills to practice in order to be recognized as a good leader?

How is leadership training/professional development handled in your organization? What do you do that represents less obvious leadership skills?